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LEGISLATIVE HISTORY

Public Law 225—78th Congress

Chapter 9—2d Session

S. 1543

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DIGEST OF PUBLIC LAW 225

MUSTERING OUT PAY. Provides for mustering-out pay of \$100 - \$300 to members of the armed forces.

INDEX AND SUMMARY OF HISTORY ON S. 1543

November 26, 1943 H. R. 3742 introduced by Rep. May and referred to the House Committee on Military Affairs. (Companion Bill). Print of the bill as introduced.

S. 1543 introduced by Senator Barkeley and referred to the Senate Committee on Military Affairs. Print of the bill as introduced.

December 1, 1943 Hearings: Senate, S. 1543.

December 7, 1943 H. R. 3799 introduced by Rep. May and referred to the House Committee on Military Affairs. (Companion Bill). Print of the bill as introduced.

December 8, 1943 Hearings: House, H. R. 3742 and H. R. 3799.

December 15, 1943 Senate Military Affairs Committee reported S. 1543 with amendments. Senate Report 603. Print of the bill as reported.

December 17, 1943 Debated in Senate and passed with amendments.

December 18, 1943 S. 1543 referred to the House Military Affairs Committee. Discussed in the House.

December 20, 1943 House Committee on Military Affairs reported on H. R. 3742 and H. R. 3799. House Report 982.

January 13, 1943 House Committee on Military Affairs reported S. 1543 with an amendment. House Report 986. Print of the bill as reported.

January 17, 1943 House Rules Committee submitted H. Res. 398 for the consideration of S. 1543. House Report 995.

January 18, 1943 House began debate on S. 1543.

January 19, 1943 Debate concluded. Passed House with amendment.

January 20, 1943 House and Senate appointed Conferees.

January 25, 1943 House received Conference Report. House Report 1013.

January 26, 1943 House and Senate agreed to Conference Report.

February 3, 1944 Approved. Public Law 225.





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PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, FIRST SESSION

Vol. 89

WASHINGTON, FRIDAY, NOVEMBER 26, 1943

No. 183

Senate

(Legislative day of Thursday, November 18, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of all mercies, now that our day of national thanksgiving has passed as an observance we would put not away the garments of praise; but with thankful hearts we would take the cup of salvation and with the grace of gratitude bow in reverence before Thee, the giver of all good.

We thank Thee for all the comrades of the years who have walked and wrought by our side. Especially do we thank Thee for the life and service of our friend and colleague who, after so many faithful years in this Chamber, has suddenly ended his earthly labors. We remember his stalwart form which was but the fitting tabernacle for a personality which radiated kindness and courtesy and an unfaltering fidelity to public duty and to the service of the Nation. Comfort those whose hearts are stricken at his going. While we mourn that we shall see his face no more, solemnize us by the uncertainty of our own working day. The hurrying pace of these crowded years frightens and amazes us. Ere ever the day has worn to noon or we have even planned the work we meant to do, the night comes down upon us and we can work no more. We wake to mourn what we have missed, to value most what comes no more.

May we lengthen our brief life by intensity of living, filling swift hours with mighty deeds. Let us hasten to speak that which is within us, lest we be called away before the story is begun. If there is anything Thou hast meant us to do in life, O spare us until we have accomplished it. If there is any kindness we can show, may we not neglect nor defer it, seeing that we pass this way but once. And when the shadows gather round us, whether that twilight shall be sooner or later, may we be very near to the eternal morning and to Thee and to those we have loved and lost awhile. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the

Journal of the proceedings of the calendar day Tuesday, November 23, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. W. Warren Barbour, late a Senator from the State of New Jersey.

The message announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3477. An act to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes;

H. R. 3687. An act to provide revenue, and for other purposes; and

H. J. Res. 175. Joint resolution commemorating the fortieth anniversary of the first airplane flight by Wilbur and Orville Wright.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 630. An act to amend section 107 of the Judicial Code, as amended, to change the terms of the district court for the middle district of Tennessee;

S. 759. An act conferring jurisdiction upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon the claim of W. I. Dooly;

S. 763. An act amending the Selective Training and Service Act of 1940, as amended, and for other purposes;

S. 770. An act for the relief of Eddie Perle;

S. 862. An act for the relief of the Grafton Boat Works;

S. 950. An act for the relief of the Milford Trust Co. and Blanche R. Bennett, as admin-

istrators of the estate of Charles E. Reed, deceased;

S. 1008. An act for the relief of Gerald G. Woods;

S. 1246. An act for the relief of Ervin S. Finley;

S. 1309. An act for the relief of Pan American Airways, Inc.;

S. 1382. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions; and

S. J. Res. 47. Joint resolution to provide for the appointment of a National Agricultural Jefferson Bicentenary Committee to carry out appropriate exercises and activities in recognition of the services and contributions of Thomas Jefferson to the farmers and the agriculture of the Nation.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

LEGISLATION PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, V. I.

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation passed by the Municipal Council of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Territories and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of the Departments of War (3), Navy, Agriculture, and Commerce; the Federal Trade Commission and Federal Security Agency (2) which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking toward their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PROVISION FOR DEMOBILIZED MEMBERS OF ARMED FORCES—MESSAGE FROM THE PRESIDENT; BILL INTRODUCED

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which

was read by the legislative clerk and referred to the Committee on Finance:

To the Congress of the United States:

All of us are concentrating now on the one primary objective of winning this war. But even as we devote our energy and resources to that purpose, we cannot neglect to plan for things to come after victory is won.

The problem of reconverting wartime America to a peacetime basis is one for which we are now laying plans to be submitted to the Congress for action. As I said last July:

The returning soldier and sailor and marine are a part of the problem of demobilizing the rest of the millions of Americans who have been working and living in a war economy since 1941. * * * But the members of the armed forces have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems.

At that time I outlined what seemed to be to be a minimum of action to which the members of our armed forces are entitled over and above that taken for other citizens.

What our service men and women want, more than anything else, is the assurance of satisfactory employment upon their return to civil life. The first task after the war is to provide employment for them and for our demobilized war workers.

There were skeptics who said that our wartime production goals would never be attained. There will also be skeptics who will question our ability to make the necessary plans to meet the problems of unemployment and want after the war. But, I am confident that if industry and labor and Government tackle the problems of economic readjustment after the war with the same unity of purpose and with the same ingenuity, resourcefulness and boldness that they have employed to such advantage in wartime production, they can solve them.

We must not lower our sights to pre-war levels. The goal after the war should be the maximum utilization of our human and material resources. This is the way to rout the forces of insecurity and unemployment at home as completely as we shall have defeated the forces of tyranny and oppression on the fields of battle.

There are, however, certain measures which merit the immediate attention of the Congress to round out the program already commenced for the special protection of the members of the armed forces.

The Congress has already enacted a generous program of benefits for servicemen and for the widows and dependents of those killed in action.

For example:

1. Under the National Service Life Insurance Act, life insurance at low premium rates is now available to members of the armed forces in amounts not less than \$1,000 and not more than \$10,000 per person. A total of nearly \$90,000,000 of insurance has already been applied for.

2. In addition, provision has been made under the Soldiers' and Sailors' Re-

lief Act for the guaranty by the Government of the payment of premiums on commercial policies held by members of the armed forces while in service. Premiums on insurance totaling \$135,582,000 have been guaranteed as a result of 56,276 applications by servicemen for such relief.

3. The Congress has also enacted legislation making provision for the hospitalization and medical care of all veterans of the present war and for the vocational rehabilitation and training of those suffering from disability incurred in or aggravated by military service, when such disability results in a vocational handicap preventing reemployment. Similar provision has been made for the rehabilitation of disabled persons in civilian life who, with proper training, can be equipped to play a useful part in the war effort at home. Men who are rejected for military service because of physical or mental defects, or who are discharged from the armed forces because of a disability existing at the time of induction, are thus eligible for such rehabilitation services and training as may be necessary and feasible in order to fit them for useful and gainful employment.

4. By recent legislation our present service men and women have been assured the same pension benefits for death or disability incurred in the line of duty while in active military service as are provided for the veterans of prior wars. The pension rates for the families of those killed in this war were recently increased by the Congress.

The Veterans' Administration will, from time to time, request the consideration by the Congress of various amendments of existing laws which will facilitate administration, and which will correct any defects in our present statutory scheme which experience may disclose. I am confident that the Congress, in line with the historic policy of this Government toward its ill, injured, and disabled service men and women, will provide generous appropriations to the Veterans' Administration with which to carry out these laws.

5. Numerous other measures have been adopted for the protection of our servicemen, such as the Soldiers' and Sailors' Civil Relief Act, suspending the enforcement of certain obligations against members of the armed forces; the creation of reemployment rights under the Selective Service Act; and the provision for emergency maternity care to the wives and infants of enlisted men.

However, I believe that we must go much further.

We must make provision now to help our returning service men and women bridge the gap from war to peace, activity. When the war is over, our men and women in the armed forces will be eager to rejoin their families, get a job, or continue their education, and to pick up the threads of their former lives. They will return at a time when industry will be in the throes of reconversion. Our plans for demobilization of soldiers and sailors must be consistent with our plans for the reconversion of industry and for the creation of employment opportunities for both servicemen and war

workers. Already the armed forces have returned many thousands of service men and women to civil life.

The following further steps seem desirable now:

1. To help service men and women tide over the difficult period of readjustment from military to civilian life, mustering-out pay will be needed. It will relieve them of anxiety while they seek private employment or make their personal plans for the future. I therefore recommend to the Congress that it enact legislation and provide funds for the payment of a uniform, reasonable mustering-out pay to all members of the armed forces upon their honorable discharge or transfer to inactive duty. This pay should not be in a lump sum but on a monthly installment basis.

2. We must anticipate, however, that some members of the armed forces may not be able to obtain employment within a reasonable time after their return to civilian life. For them, unemployment allowances should be provided until they can reasonably be absorbed by private industry.

Members of the armed services are not now adequately covered by existing unemployment insurance laws of the States. It is estimated that approximately one-half of them will have no unemployment-insurance protection at all when they leave military service. Benefits payable to those who are covered by State law are unequal, and will vary greatly among the States because of the wide differences in the provisions of the State laws. The protection in many cases will be inadequate. It is plainly a Federal responsibility to provide for the payment of adequate allowances for unemployed service men and women who are unable to find employment after their demobilization.

For these reasons I recommend to the Congress that a uniform system of allowances for unemployed service men and women be established.

I believe that there should be a fixed and uniform rate of benefit for a fixed period of time for all members of the armed forces who, after leaving the service, are unable to find suitable work. In order to qualify for an unemployment allowance each person should be obliged to register with the United States Employment Service, and, following the usual practice in unemployment insurance, must be willing to accept available and suitable employment, or to engage in a training course to prepare him for such employment. The protection under this system should be continued for an adequate length of time following the period for which mustering-out payment is made.

At present, persons serving in the merchant marine are not insured under State unemployment insurance laws, primarily because the very nature of their employment carries them beyond the confines of any particular State. I believe that the most effective way of protecting maritime workers against postwar unemployment is to enact without delay a Federal maritime unemployment insurance act. There has been in effect since 1938 a railroad unemploy-

ment insurance act, and a similar act for maritime workers is long overdue. Marine workers are, however, insured under the existing Federal old-age and survivors' insurance law.

3. Members of the armed forces are not receiving credit under the Federal old-age and survivors' insurance law for their period of military service. Credit under the law can be obtained only while a person is engaged in certain specific types of employment. Service in the armed forces is not included in these types. Since the size of the insurance benefits depends upon the total number of years in which credits are obtained, the exclusion of military service will operate to decrease the old-age retirement benefits which will eventually be payable to service men and women. Furthermore, a large number of persons whose dependents were protected by the survivors' insurance benefits at the time they entered the armed forces, are losing entirely those insurance rights while they are in service.

I therefore recommend that the Congress enact legislation to make it possible for members of the armed forces to obtain credit under the Federal old-age and survivors' insurance law during their period of military service. The burden of this extension of old-age and survivors' insurance to members of the armed forces should be carried by the Federal Government, and the Federal contributions should be uniform for all members of the armed forces irrespective of their rank.

I have already communicated with the Congress requesting the enactment of legislation to provide educational and training opportunities for the members of the armed forces who desire to pursue their studies after their discharge.

The Congress will agree, I am sure, that this time we must have plans and legislation ready for our returning veterans instead of waiting until the last moment. It will give notice to our armed forces that the people back home do not propose to let them down.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, November 23, 1943.

Mr. BARKLEY. Mr. President, I wish to make a brief statement regarding the introduction of a bill, which I shall ask unanimous consent to introduce out of order.

The time to prepare for peace is before the end of hostilities. There will be many difficult problems to be solved after the last shot is fired on the field of battle. Their solution will not be easy.

We have already raised the largest Army and Navy this country has ever known. Our armed forces are growing each day in strength and numbers. The tasks involved in creating and providing for an Army and Navy of such large proportions have been of unprecedented magnitude. It will be to the everlasting credit of the United States that no difficulty was too great, no problem was insurmountable, with the result that in so small a period of time so much has been accomplished. This is something our enemies had not counted on.

The problems of mobilization for war have been met because we were able to

pool our common energies for the task. The problems of demobilization for peace will be just as numerous, just as urgent, and just as critical to the future of our country. These, too, will be solved if we employ our common energies.

One of the problems will be: What will be the position of our servicemen just after they have been demobilized? They will need new civilian clothes to replace the uniforms which they have worn so proudly. Civilian clothes will symbolize to them their return to the pursuits of peace.

They will need to reestablish their homes, to reunite their families. There will be many practical little things that will have to be done in order for them to reestablish the way of life they had to give up when they joined the colors. Many will need some help until they are able to readjust themselves to a manner of life that will seem new, and until our factories and plants will have had time to reconver to civilian production.

The Government, which provided so well for the mobilization of these men and women, owes both to them and to the country as a whole the duty of arranging for their orderly demobilization.

Accordingly, I am introducing a bill to provide for the payment of mustering-out pay to servicemen upon their demobilization from the armed forces. No mustering-out pay would be given to commissioned officers of ranks above that of captain in the Army, since persons of such ranks undoubtedly will have saved sufficiently from their salaries to tide them over the transition period. Likewise, persons who are entitled to be placed on the retirement lists will not be paid any mustering-out pay, since they will be receiving a steady and assured income immediately upon demobilization.

All other servicemen who are not dishonorably discharged, who have served in the armed forces, would receive the sum of \$300 as mustering-out pay, \$100 of which would be payable immediately upon discharge, the remainder in two equal monthly installments. It is believed that such a sum would do much toward enabling the demobilized soldier, sailor, and marine to go through the necessary readjustment period without any undue hardship until they are able to assume their rightful places as self-supporting members of the community.

Provision is also made in the bill for paying to the surviving widow, minor children, or parents the mustering-out pay of any serviceman who dies after discharge but before receiving the full amount.

I believe this bill will be the solution of one of the many problems we will face when the war is over. It is an important first step in easing the return of our boys and girls to civilian life.

I might say, in addition, that the bill applies to members of all the armed services, the Army, Navy, Marine Corps, and Coast Guard, as well as to the women's organizations which have become component parts of our armed services.

It applies also to those who have been heretofore discharged. Under the bill the same amount would be paid to them

that would be paid to those discharged hereafter.

I ask unanimous consent that I may be permitted to introduce the bill, and that it be printed in the body of the RECORD following the statement I have just made.

There being no objection, the bill (S. 1543) to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, was received, read twice by its title, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

SEC. 1. All members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay: *Provided*, That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services: *Provided further*, That mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list.

SEC. 2. Mustering-out pay, for persons eligible under section 1, shall be in the sum of \$300. One hundred dollars of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount of mustering-out pay shall be paid in two consecutive monthly installments: *Provided*, That in the case of persons selected for training under the Servicemen's Education and Training Act of 1943 all payments under this act shall be suspended during the time that such person has been selected for attendance at an approved educational institution.

SEC. 3. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this act shall receive the first installment of their mustering-out pay 1 month after the effective date of this act.

SEC. 4. If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of the mustering-out pay payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any, and if he shall leave no surviving widow, then in equal shares to his minor children, if any, and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this act shall be made to any other person.

SEC. 5. The term "member of the armed forces of the United States" as used herein means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. The Secretary of War and the Secretary of the Navy shall administer this act within their respective services.

SEC. 7. This act may be cited as "The Mustering-out Pay Act of 1943."

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Resolutions adopted by a convention of the New York City Federation of Women's Clubs, Inc., and the Joint Conference Committee on Public Relations, representing several Baptist conventions, Washington, D. C., favoring the enactment of pending legislation to repeal the Chinese exclusion acts; ordered to lie on the table.

A resolution adopted by the Association of Graduate Women of the University of Puerto Rico, San Juan, P. R., expressing satisfaction with proposed changes in the organic law for Puerto Rico; to the Committee on Territories and Insular Affairs.

By Mr. VANDENBERG:

A resolution adopted by the annual meeting of the Michigan Milk Producers Association, favoring the enactment of the bill (H. R. 3477) to continue the Commodity Credit Corporation as an agency of the United States, to revise the basis of annual appraisal of its assets, and for other purposes; to the Committee on Banking and Currency.

A resolution adopted by the annual meeting of the Michigan Milk Producers Association, favoring discontinuance of the discrepancy in required rationed points as between butter and butter substitutes; to the Committee on Banking and Currency.

A resolution of the Michigan Board of Aeronautics, protesting against the enactment of the bill (H. R. 3420) to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes, until the establishment of peace; to the Committee on Commerce.

A resolution adopted by the board of directors of the Michigan Retail Institute, Lansing, Mich., protesting against an increase in the social security tax rate at the present time; to the Committee on Finance.

A resolution transmitted from the chamber of commerce, at Holland, Mich., being a proposed declaration of independence from possible post-war regimentation, adopted by a conference of American small business organizations, representing 200 organizations in 39 States; to the Committee on Finance.

A resolution adopted by the annual meeting of the Michigan Milk Producers Association, protesting against the enactment of the bill (H. R. 2400) to eliminate the provisions of the Internal Revenue Code relating to taxes on domestic margarine and relating to license taxes upon manufacturers, wholesalers, and retailers of margarine; to the Committee on Finance.

A resolution adopted by the common council of the city of Hamtramck, Mich., endorsing decisions reached by the Moscow Conference, saluting the military accomplishments of the Red Army, and greeting the people of the Soviet Union on their twenty-sixth anniversary; to the Committee on Foreign Relations.

A resolution adopted by a convention of the Moms of America (mothers of men in the service) at Ann Arbor, Mich., favoring the use of railroad trains exclusively by those whose business thereon has a direct bearing upon the war; to the Committee on Interstate Commerce.

A resolution adopted by the annual meeting of the Michigan Milk Producers Association, favoring the preservation of self-government in the United States; to the Committee on the Judiciary.

Petitions of sundry citizens of the State of Michigan, praying for the enactment of the bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war; to the Committee on the Judiciary.

A memorial of sundry citizens of the State of Michigan, remonstrating against the relaxation of Government regulations controlling the manufacture of alcoholic liquors; to the Committee on the Judiciary.

A resolution adopted by the board of directors of the Huron County (Mich.) Farm

Bureau, favoring action by the Government to identify farm workers so that they may not be placed in the category of slackers in connection with the war effort; to the Committee on Military Affairs.

A resolution adopted by the Stewards' Body of Local 490, U. A. W. A.-C. I. O., of Detroit, Mich., protesting against the enactment of the so-called Luce bill, being the bill (H. R. 3556) to create an Army and Navy maintenance corps, and for other purposes; to the Committee on Military Affairs.

A resolution adopted by a convention of the Michigan State Branch of the N. A. P. S., at Three Rivers, Mich., favoring the enactment of legislation authorizing overtime pay to postal supervisors; to the Committee on Post Offices and Post Roads.

A resolution adopted by the Michigan Committee on Intrastate Cooperation, at Lansing, Mich., protesting against the enactment of the bill (S. 1152) to provide for the conservation of wildlife on public lands and reservations of the United States; to the Committee on Public Lands and Surveys.

A resolution adopted by a convention of the Moms of America (mothers of men in the service) at Ann Arbor, Mich., favoring the adoption of the so-called Ball-Hill-Burton-Hatch resolution, being Senate resolution 114, favoring organization of the United Nations to maintain peace; ordered to lie on the table.

GENERAL WELFARE AND OLD-AGE ASSISTANCE LEGISLATION—PETITION

Mr. WILLIS. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD the body of a petition signed by 100 members of the United Automobile, Aircraft, and Agricultural Implement Workers of America, asking support of Senate bill 1161 and House bill 2861, relating to general welfare and granting old-age assistance.

There being no objection, the petition was referred to the Committee on Finance and the body thereof, without the signatures attached, was ordered to be printed in the RECORD, as follows:

We voters of the Third Congressional District of Indiana petition you as Members of the Senate and the House of Representatives of these United States, representing all the people of the United States, to work for and vote for the passage of S. 1161 and H. R. 2861, social-security bills introduced by Messrs. WAGNER, MURRAY, and DINGELL.

We also request this petition be made a part of the CONGRESSIONAL RECORD.

FOOD SUBSIDY PROGRAM—RESOLUTION OF INDIANA FARM BUREAU, INC., INDIANAPOLIS, IND.

Mr. WILLIS. Mr. President, I also ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution passed unanimously at the twenty-fifth annual convention of the Indiana Farm Bureau, Inc., Indianapolis, Ind., November 17, 1943.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

INDIANA FARM BUREAU, INC.,
Indianapolis, Ind., November 17, 1943.

As members of the Indiana Farm Bureau and representing more than 200,000 Indiana farm people, we respectfully present and urge your due consideration of our official and personal concern regarding subsidies as they affect agricultural commodities.

Ceilings on corn, hogs, and cattle, established by Government decree and in direct violation of the Price Stabilization Act of

October 1942, have definitely checked the natural upward trend of prices. In the instance of cattle and hog price ceilings, the market, coincident with the announcement of ceiling prices, fell—and to exactly the Government price-ceiling levels. Government-assured floors are ignored to the detriment of both producers and consumers.

Now comes the proposal to subsidize from the Federal Treasury sufficiently to span the gap between ceiling prices and the natural levels comparable to the purchasing ability of the consuming public. We are opposed to this and urge that you vote against increased subsidies for the following reasons:

1. The public has sufficient purchasing power to amply provide all its needs.

2. Reduced living costs through subsidies leave more money in the pockets of consumers to bid for fewer articles.

3. Subsidies will add indebtedness for future generations as well as for our fighting men to pay when they come home.

4. Farmers will help to pay their own subsidies.

5. Subsidies enlarged and more widespread can lead to a Government-controlled agriculture.

6. Ceiling prices were the forerunner for an excuse to subsidize.

7. Subsidies have every tendency to create inflation.

8. Ceiling prices and subsidies will bring about reduced food and fiber in this Nation.

9. Farm people do not desire the finger of scorn pointed toward them as receiving hand-outs from the Federal Treasury.

10. Give us manpower and machinery, a fair price in the market places, and there will be no excuse for subsidies.

This resolution was passed unanimously at the twenty-fifth annual convention of the Indiana Farm Bureau, Inc., Indianapolis, Ind., November 17, 1943.

Again we ask your cooperation against subsidies.

RESOLUTION FAVORING EQUAL RIGHTS AMENDMENTS TO THE CONSTITUTION ADOPTED AT PURCELLVILLE, VA.

Mr. BARKLEY (for Mr. GLASS) presented a resolution adopted by a group of over 100 women attending the post-war women's program presented by the Purcellville Woman's Club, at Purcellville, Va., on November 19, 1943, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

To the Virginia Members of Congress.

GENTLEMEN: Whenever the fundamentals of the supreme law are under consideration, it has been the privilege of Virginia's statesmen to be in the front ranks. The Declaration of Independence has become a landmark for reforms in other governments.

The National Constitution, written largely by James Madison in 1787, has been a model for other federal governments. And the status of world neutrality arose from George Washington's 1793 Neutrality Proclamation.

Today women from several Virginia counties have heard not only plans for greater opportunities for post-war women, they have also heard glowing accounts of the rapid infiltration of women into defense plants and battle fronts throughout the world.

From all this we are forced to conclude that if ever we are to build the America of our dreams, this present team play of men and women must become a permanent reality. Women must become full citizens with men. This can be done only by the passage of the equal-rights amendment to the Federal Constitution reading:

"Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex."

We therefore appeal to our Representatives in Congress to do honor to their statesman

78TH CONGRESS
1ST SESSION

H. R. 3742

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 26, 1943

Mr. MAY introduced the following bill; which was referred to the Committee on Military Affairs

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That all members of the armed forces of the United States,
4 who shall have been in active service during the present
5 war and who shall have been discharged or relieved from
6 active duty under other than dishonorable conditions after
7 December 7, 1941, shall be eligible to receive mustering-out
8 pay: *Provided*, That mustering-out pay shall not be payable
9 to any person who, at the time of discharge or relief from
10 active service, holds a commission, either permanent or tem-
11 porary, of any rank above captain in the Army, or of any

1 equivalent rank in any of the other armed services: *Pro-*
2 *vided further*, That mustering-out pay shall not be payable
3 to members of the armed forces who, at the time of dis-
4 charge or relief from active duty, shall be eligible for place-
5 ment on the retired list.

6 SEC. 2. Mustering-out pay, for persons who shall have
7 been in active service during the present war for six months
8 or more, shall be in the sum of \$300; mustering-out pay,
9 for persons who shall have been in active service during the
10 present war for less than six months but for more than four
11 months, shall be in the sum of \$200; mustering-out pay,
12 for persons who shall have been in active service during the
13 present war for less than four months, shall be in the sum
14 of \$100. \$100 of mustering-out pay shall be paid to all
15 eligible persons at the time of discharge or relief from active
16 duty. The remaining amount, if any, of mustering-out pay
17 shall be paid in two monthly installments: *Provided*, That,
18 in the case of persons selected for training under the "Serv-
19 icemen's Education and Training Act of 1943", all payments
20 under this Act shall be suspended during the time that such
21 person has been selected for attendance at an approved
22 educational institution: *Provided further*, That no person
23 shall be entitled to receive mustering-out pay in excess of
24 \$300 under the provisions of this Act.

25 SEC. 3. Members of the armed forces entitled to muster-

1 ing-out pay who shall have been discharged or relieved from
2 active duty under other than dishonorable conditions before
3 the effective date of this Act shall receive the first install-
4 ment or lump-sum payment, whichever may be applicable,
5 of their mustering-out pay one month after the effective date
6 of this Act.

7 SEC. 4. If any member of the armed forces, after his
8 discharge or relief from active duty, shall die before receiving
9 the full amount of the mustering-out pay payable to such
10 person, the amount which he would have received had he
11 lived shall be payable to his surviving widow, if any, and
12 if he shall leave no surviving widow, then in equal shares
13 to his minor children, if any, and if he shall leave no sur-
14 viving widow or minor children, then in equal shares to his
15 surviving parents, if any: *Provided further*, That no pay-
16 ments under this Act shall be made to any other person.

17 SEC. 5. The term "member of the armed forces of the
18 United States" as used herein means any member of the
19 Army of the United States, the United States Navy, the
20 United States Marine Corps, the United States Coast Guard,
21 or any of their respective components.

22 SEC. 6. This Act may be cited as "The Mustering-Out
23 Pay Act of 1943".

78TH CONGRESS
1ST SESSION

H. R. 3742

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

By Mr. MAY

NOVEMBER 26, 1943

Referred to the Committee on Military Affairs

78TH CONGRESS
1ST SESSION

S. 1543

IN THE SENATE OF THE UNITED STATES

NOVEMBER 26 (legislative day, NOVEMBER 18), 1943

Mr. BARKLEY introduced the following bill; which was read twice and referred to the Committee on Military Affairs

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That all members of the armed forces of the United States,
4 who shall have been in active service during the present war,
5 and who shall have been discharged or relieved from active
6 duty under other than dishonorable conditions after Decem-
7 ber 7, 1941, shall be eligible to receive mustering-out pay:
8 *Provided,* That mustering-out pay shall not be payable to
9 any person who, at the time of discharge or relief from
10 active service, holds a commission, either permanent or
11 temporary, of any rank above captain in the Army, or of

1 any equivalent rank in any of the other armed services:
2 *Provided further*, That mustering-out pay shall not be pay-
3 able to members of the armed forces who, at the time of
4 discharge or relief from active duty, shall be eligible for
5 placement on the retired list.

6 SEC. 2. Mustering-out pay, for persons eligible under
7 section 1, shall be in the sum of \$300. \$100 of mustering-
8 out pay shall be paid to all eligible persons at the time of
9 discharge or relief from active duty. The remaining amount
10 of mustering-out pay shall be paid in two consecutive
11 monthly installments: *Provided*, That, in the case of persons
12 selected for training under the Servicemen's Education and
13 Training Act of 1943, all payments under this Act shall
14 be suspended during the time that such person has been
15 selected for attendance at an approved educational institution.

16 SEC. 3. Members of the armed forces entitled to muster-
17 ing out pay who shall have been discharged or relieved from
18 active duty under other than dishonorable conditions before
19 the effective date of this Act shall receive the first install-
20 ment of their mustering-out pay one month after the effective
21 date of this Act.

22 SEC. 4. If any member of the armed forces, after his
23 discharge or relief from active duty, shall die before receiv-
24 ing the full amount of the mustering-out pay payable to
25 such person, the amount which he would have received had

1 he lived shall be payable to his surviving widow, if any;
2 and if he shall leave no surviving widow, then in equal shares
3 to his minor children, if any; and if he shall leave no surviv-
4 ing widow or minor children, then in equal shares to his sur-
5 viving parents, if any: *Provided*, That no payments under
6 this Act shall be made to any other person.

7 SEC. 5. The term "member of the armed forces of the
8 United States" as used herein means any member of the
9 Army of the United States, the United States Navy, the
10 United States Marine Corps, the United States Coast Guard,
11 or any of their respective components.

12 SEC. 6. There are hereby authorized to be appropriated
13 such sums as may be necessary to carry out the provisions
14 of this Act. The Secretary of War and the Secretary of
15 the Navy shall administer this Act within their respective
16 services.

17 SEC. 7. This Act may be cited as "The Mustering-Out
18 Pay Act of 1943."

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

By Mr. BARKLEY

NOVEMBER 26 (legislative day, November 18), 1943

Read twice and referred to the Committee on Military Affairs

E COPY

LEGISLATIVE SERVICE DIVISION
Office of Budget and Finance

MUSTERING-OUT PAYMENTS

HEARING

BEFORE THE

COMMITTEE ON MILITARY AFFAIRS

UNITED STATES SENATE

SEVENTY-EIGHTH CONGRESS

FIRST SESSION

ON

S. 1543

A BILL TO PROVIDE FOR PAYMENT OF MUSTERING-OUT
PAY TO MEMBERS OF THE ARMED FORCES,
AND FOR OTHER PURPOSES

DECEMBER 1, 1943

Printed for the use of the Committee on Military Affairs



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1943

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MUSTERING-OUT PAYMENTS

WEDNESDAY, DECEMBER 1, 1943

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The committee met, pursuant to call, at 10 a. m., in the committee room of the Committee on Military Affairs, United States Capitol, Senator Robert R. Reynolds (chairman) presiding.

Present: Senators Reynolds (chairman), Thomas of Utah, Kilgore, Austin, Lodge, Revercomb, and Wilson.

The CHAIRMAN. The meeting will now come to order.

Gentlemen, we have with us this morning the national commander of the American Legion, Mr. Warren H. Atherton, who will present his views in regard to the bill introduced several days ago by Senator Barkley, S. 1543. If you will come around, Commander, right here.

Mr. ATHERTON. Thank you.

The CHAIRMAN. This is Senator Thomas of Utah. Of course, you know Senator Austin and Senator Wilson, of Iowa.

Before the commander begins his testimony, I want to ask the reporter to incorporate at this point a message from the President of the United States, and also copy of the bill introduced by Senator Barkley entitled "A bill to provide for payment of mustering-out pay to members of the armed forces and for other purposes."

(President's message is as follows:)

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A REQUEST FOR PASSAGE OF LEGISLATION TO GRANT TO ALL VETERANS OF OUR ARMED FORCES MUSTERING-OUT PAY, A UNIFORM SYSTEM OF ALLOWANCES FOR UNEMPLOYED VETERANS; ALSO LEGISLATION TO AMEND THE FEDERAL OLD-AGE SURVIVORS' INSURANCE LAW TO INCLUDE ALL VETERANS OF THE PRESENT WAR

To the Congress of the United States:

All of us are concentrating now on the one primary objective of winning this war. But even as we devote our energy and resources to that purpose, we cannot neglect to plan for things to come after victory is won.

The problem of reconverting wartime America to a peacetime basis is one for which we are now laying plans to be submitted to the Congress for action. As I said last July: "The returning soldier and sailor and marine are a part of the problem of demobilizing the rest of the millions of Americans who have been working and living in a war economy since 1941. * * * But the members of the armed forces have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems."

At that time I outlined what seemed to me to be a minimum of action to which the members of our armed forces are entitled over and above that taken for other citizens.

What our service men and women want, more than anything else, is the assurance of satisfactory employment upon their return to civil life. The first task

after the war is to provide employment for them and for our demobilized war workers.

There were skeptics who said that our wartime production goals would never be attained. There will also be skeptics who will question our ability to make the necessary plans to meet the problems of unemployment and want after the war. But, I am confident that if industry and labor and Government tackle the problems of economic readjustment after the war with the same unity of purpose and with the same ingenuity, resourcefulness, and boldness that they have employed to such advantage in wartime production, they can solve them.

We must not lower our sights to pre-war levels. The goal after the war should be the maximum utilization of our human and material resources. This is the way to rout the forces of insecurity and unemployment at home, as completely as we shall have defeated the forces of tyranny and oppression on the fields of battle.

There are, however, certain measures which merit the immediate attention of the Congress to round out the program already commenced for the special protection of the members of the armed forces.

The Congress has already enacted a generous program of benefits for servicemen and for the widows and dependents of those killed in action.

For example:

(1) Under the National Service Life Insurance Act, life insurance at low premium rates is now available to members of the armed forces in amounts not less than \$1,000 and not more than \$10,000 per person. A total of nearly \$90,000,000 of insurance has already been applied for.

(2) In addition, provision has been made, under the Soldiers' and Sailors' Relief Act, for the guaranty by the Government of the payment of premiums on commercial policies held by members of the armed forces while in service. Premiums on insurance totaling \$135,582,000 have been guaranteed as a result of 56,276 applications by servicemen for such relief.

(3) The Congress has also enacted legislation making provision for the hospitalization and medical care of all veterans of the present war, and for the vocational rehabilitation and training of those suffering from disability incurred in, or aggravated by, military service, when such disability results in a vocational handicap preventing reemployment. Similar provision has been made for the rehabilitation of disabled persons in civil life, who, with proper training, can be equipped to play a useful part in the war effort at home. Men who are rejected for military service because of physical or mental defects, or who are discharged from the armed forces because of a disability existing at the time of induction, are thus eligible for such rehabilitation services and training as may be necessary and feasible in order to fit them for useful and gainful employment.

(4) By recent legislation, our present service men and women have been assured the same pension benefits for death or disability incurred in the line of duty while in active military service as are provided for the veterans of prior wars. The pension rates for the family of those killed in this war were recently increased by the Congress.

The Veterans' Administration will, from time to time, request the consideration by the Congress of various amendments of existing laws which will facilitate administration, and which will correct any defects in our present statutory scheme which experience may disclose. I am confident that the Congress, in line with the historic policy of this Government toward its ill, injured, and disabled service men and women, will provide generous appropriations to the Veterans' Administration with which to carry out these laws.

(5) Numerous other measures have been adopted for the protection of our servicemen such as the Soldiers' and Sailors' Civil Relief Act, suspending the enforcement of certain obligations against members of the armed forces, the creation of reemployment rights under the Selective Service Act, and the provision for emergency maternity care to the wives and infants of enlisted men.

However, I believe that we must go much further.

We must make provision now to help our returning service men and women bridge the gap from war to peace activity. When the war is over our men and women in the armed forces will be eager to rejoin their families, get a job, or continue their education, and to pick up the threads of their former lives. They will return at a time when industry will be in the throes of reconversion. Our plans for demobilization of soldiers and sailors must be consistent with our plans for the reconversion of industry and for the creation of employment opportunities for both servicemen and war workers. Already the armed forces have returned many thousands of service men and women to civil life.

The following further steps seem desirable now:

(1) To help service men and women tide over the difficult period of readjustment from military to civilian life, mustering-out pay will be needed. It will relieve them of anxiety while they seek private employment or make their personal plans for the future. I, therefore, recommend to the Congress that it enact legislation and provide funds for the payment of a uniform, reasonable mustering-out pay to all members of the armed forces upon their honorable discharge or transfer to inactive duty. This pay should not be in a lump sum but on a monthly installment basis.

(2) We must anticipate, however, that some members of the armed forces may not be able to obtain employment within a reasonable time after their return to civil life. For them, unemployment allowances should be provided until they can reasonably be absorbed by private industry.

Members of the armed services are not now adequately covered by existing unemployment insurance laws of the States. It is estimated that approximately one-half of them will have no unemployment insurance protection at all when they leave military service. Benefits payable to those who are covered by State law are unequal, and will vary greatly among the States because of the wide differences in the provisions of the State laws. The protection in many cases will be inadequate. It is plainly a Federal responsibility to provide for the payment of adequate and equitable allowances to those service men and women who are unable to find employment after their demobilization.

For these reasons, I recommend to the Congress that a uniform system of allowances for unemployed service men and women be established.

I believe that there should be a fixed and uniform rate of benefit for a fixed period of time for all members of the armed forces who, after leaving the service, are unable to find suitable work. In order to qualify for an unemployment allowance each person should be obliged to register with the United States Employment Service, and, following the usual practice in unemployment insurance, must be willing to accept available and suitable employment, or to engage in a training course to prepare him for such employment. The protection under this system should be continued for an adequate length of time following the period for which mustering-out payment is made.

At present, persons serving in the merchant marine are not insured under State unemployment insurance laws, primarily because the very nature of their employment carries them beyond the confines of any particular State. I believe that the most effective way of protecting maritime workers against post-war unemployment is to enact without a delay a Federal maritime unemployment insurance act. There has been in effect since 1938 a railroad unemployment insurance act, and a similar act for maritime workers is long overdue. Marine workers are, however, insured under the existing Federal old-age and survivors' insurance law.

(3) Members of the armed forces are not receiving credit under the Federal old-age and survivors' insurance law for their period of military service. Credit under the law can be obtained only while a person is engaged in certain specific types of employment. Service in the armed forces is not included in these types. Since the size of the insurance benefits depends upon the total number of years in which credits are obtained, the exclusion of military service will operate to decrease the old-age retirement benefits which will eventually be payable to service men and women. Furthermore, a large number of persons whose dependents were protected by the survivors' insurance benefits at the time they entered the armed forces, are losing entirely those insurance rights while they are in service.

I, therefore, recommend that the Congress enact legislation to make it possible for members of the armed forces to obtain credit under the Federal old-age and survivors' insurance law during their period of military service. The burden of this extension of old-age and survivors' insurance to members of the armed forces should be carried by the Federal Government, and the Federal contributions should be uniform for all members of the armed forces irrespective of their rank.

I have already communicated with the Congress requesting the enactment of legislation to provide educational and training opportunities for the members of the armed forces who desire to pursue their studies after their discharge.

The Congress will agree, I am sure, that, this time, we must have plans and legislation ready for our returning veterans instead of waiting until the last moment. It will give notice to our armed forces that the people back home do not propose to let them down.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, November 23, 1943.

(S. 1543 is as follows:)

[S. 1543, 78th Cong., 1st sess.]

A BILL To provide for payment of mustering-out pay to members of the armed forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay: *Provided*, That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services: *Provided further*, That mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list.

SEC. 2. Mustering-out pay, for persons eligible under section 1, shall be in the sum of \$300. \$100 of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount of mustering-out pay shall be paid in two consecutive monthly installments: *Provided*, That in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments under this Act shall be suspended during the time that such person has been selected for attendance at an approved educational institution.

SEC. 3. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this Act shall receive the first installment of their mustering-out pay one month after the effective date of this Act.

SEC. 4. If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of the mustering-out pay payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any; and if he shall leave no surviving widow, then in equal shares to his minor children, if any; and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

SEC. 5. The term "member of the armed forces of the United States" as used herein means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. The Secretary of War and the Secretary of the Navy shall administer this Act within their respective services.

SEC. 7. This Act may be cited as the "Mustering-Out Pay Act of 1943."

The CHAIRMAN. We will be very glad to hear you now, Mr. Atherton. I might say that we are apologizing for not having more members here at the present time, which can be attributed to the fact that most of them have other committee meetings this morning, and we have arrived at the point where it is almost impossible for the members to attend all the committee meetings. Those who are unfortunate enough not to be present will have the opportunity to read what you have to say about the bill.

**STATEMENT OF NATIONAL COMMANDER WARREN H. ATHERTON,
OF THE AMERICAN LEGION**

MR. ATHERTON. I am appreciative of pressing business, Mr. Chairman, and thank you for the opportunity of making this appearance before such members of your committee as are able to be here this morning.

The American Legion, based on its long experience and its interest in its sons who are in this service, is convinced that mustering-out pay is both proper and necessary. The men returning will need civilian clothing; they should have an opportunity to be able to visit their friends and relatives and to look about and see whether they want to continue their education, or whether they want to go into employment, and, if so, what kind of employment, and endeavor to get themselves straightened out and started in life on a firm foundation.

For that purpose at least the amounts provided for by bill S. 1543, are, in our opinion, necessary, and should be paid to the men who are mustered out.

In that connection we have found that many men have been discharged during the past months, a number of them battle casualties, without any mustering-out pay at all, and without any compensation with which to tide them over the period of convalescence after leaving the hospitals, a period in which they might actually be unemployable. The number of such cases is very large.

I will cite you a very aggravated one which I encountered at Charleston, W. Va., last week. I have the man's company and serial number which I will be glad to disclose to the members of the committee, Mr. Chairman. Under our agreement with the Veterans' Administration, we do not put such information into the public record.

This man was wounded at Guadalcanal—

Senator AUSTIN. Did you intend to omit it from your testimony and not have it go into this record?

Mr. ATHERTON. I don't mind the general reference to it, omitting the name and number, Senator.

Senator AUSTIN. All right.

Mr. ATHERTON. This man was wounded at Guadalcanal. A hand grenade exploded and bashed in the right side of his head and he has a paralysis of his left side. He has been totally unemployable since his discharge on July 3, and in my opinion, as a layman, probably will always be unemployable. He had a dependent mother, 73 years of age, who was receiving an allotment from him as long as he was a soldier. He filed a claim for compensation on July 3 of this year, the day upon which he was discharged. His pay and his allotment to his mother, of course, stopped with his discharge. He was advised that if there was any delay in the allowance of his compensation he could appeal to the Red Cross or to the Army Relief for charity. His compensation was not allowed, or was greatly delayed.

In fact, it was not finally allowed until representations had been made by the State service officer of West Virginia, a member of the American Legion, late in October, and it was then allowed on October 25, and he received notice of his allowance on November 4, 4 months after he had gone out of the service, 4 months after all compensation

and payments to him had stopped. Then he was given a rating of 50 percent, which was to be considered in the nature of temporary until his records could be completed. That is the reason given for that delay, that his records could not be completed, something had been lost en route, but certainly it could be ascertained that he enlisted, his record is here in Washington. You can look at his head and see the hole. If you could see into his stomach you would probably have found that it was empty, so in our opinion there should be an immediate rating on a temporary basis of such cases, and, insofar as this bill is concerned, if it had been in effect on July 3 he would at least have had the benefit of \$100 a month for three payments which would have gone a long way in tiding him over this period, and this will tide many such men over such a period if the remedy is not found for delay in rating such men.

As I have heretofore stated, such cases are very numerous. Delays are ensuing up to 6 months and a few as long as a year, all of which makes it more imperative that a bill such as this be passed and passed quickly, so that men who have been wounded in Sicily, Italy, and the southwest Pacific can at least have that much to keep body and soul together until Uncle Sam can find the bits of paper that were blown to pieces by a bomb somewhere, that constituted the man's service record.

In our opinion that would also be cured by a provision for temporary authority to take such men until their records can be restored.

Mr. Chairman, to supplement my remarks, I would request permission to file a written statement. If there is any question you or any member of the committee would care to ask, I would, of course, be pleased to answer.

The CHAIRMAN. Would you like to read it?

Mr. ATHERTON. I will simply file it for the record.

The CHAIRMAN. It may be filed for the record.

I will state for the benefit of the members who have just come in that we have the honor and pleasure of having with us this morning, Mr. Atherton, national commander of the American Legion, and he has just testified in regard to the mustering-out bill, being a bill introduced by Senator Barkley, and if there are any members of the committee who have heard the commander and desire to direct any inquiries to him, he will be very glad to receive them and to make personal answers to them. Is that correct, Mr. Commander?

Mr. ATHERTON. Yes, sir.

Senator AUSTIN. Mr. Chairman.

The CHAIRMAN. Senator Austin.

Senator AUSTIN. Mr. Commander, does your prepared statement show what action the Legion has taken upon this subject?

Mr. ATHERTON. Yes; it does show that the American Legion has approved the payment of mustering-out pay in principle.

Senator AUSTIN. Yes. It has not had a meeting since this bill was introduced, I believe.

Mr. ATHERTON. No; it has not.

Senator AUSTIN. But the theory of the bill is supported in a formal way by the Legion.

Mr. ATHERTON. That is true, and at the convention in Omaha we adopted resolutions which favored mustering-out pay in principle.

The CHAIRMAN. Senator Revercomb.
Senator REVERCOMB. No questions.
The CHAIRMAN. Senator Wilson.
Senator WILSON. No questions.
The CHAIRMAN. Senator Lodge.
Senator LODGE. No, thank you.
The CHAIRMAN. Senator Kilgore.
Senator KILGORE. No, thank you.
The CHAIRMAN. Thank you very much, Commander.
(The commander's statement follows:)

STATEMENT OF NATIONAL COMMANDER WARREN H. ATHERTON BEFORE THE SENATE COMMITTEE ON MILITARY AFFAIRS ON BARKLEY-MAY MUSTERING-OUT PAY BILL

Mr. Chairman and members of the committee, it is indeed a happy privilege for me to appear before you today in support of the principle of mustering-out pay as incorporated in the Barkley-May bill. This proposition has been under study by the American Legion for the past year and one-half. We of the Legion were very pleased when the Commander in Chief on November 25 last, sent a message to Congress, recommending passage of such legislation.

It is only part of a general over-all demobilization, rehabilitation and placement program which the Legion has been considering. The members of the American Legion, numbering 1,169,409, and all veterans of World War I, have had experience with the drastic transition from war- to peace-time pursuits. We know that such mustering-out pay, as is incorporated in the proposal before you, would prove of inestimable benefit to the members of the armed forces in World War II. This, coupled with unemployment compensation would materially assist returning war veterans.

While this proposal is but the first phase of the Legion's post-war program, members of our organization feel that it is an important and timely piece of legislation because of the large number of men being discharged daily at this time—approximately 8,000 a week.

As the members of this Senate Military Affairs Committee well know, the American Legion has been in the forefront since its very inception for an adequate national defense; the preservation of our American way of life; the care and rehabilitation of disabled veterans and their dependents; and child welfare. Our organization's advocacy of these programs is naturally based upon experience during war and in business, labor, and professional pursuits. The morale of the people in and out of uniform is essential in every respect and the Legion supported all measures designed to build confidence of troops and citizens alike in a cause for which our Nation fights. This Barkley-May bill likewise provides a big element of faith and morale for the returning armed forces.

I have mentioned that the Legion has given and is giving consideration to a general over-all demobilization, rehabilitation, and placement post-war plan.

Briefly, the second phase of this plan has to do with adequate facilities and machinery for the repair, restoration, and rehabilitation of those handicapped because of their experiences in this war. The central agency for this purpose is one that was born out of the last war and has grown to extensive proportions. I refer to the Veterans' Administration.

It is well known to most of you gentlemen that Congress created the Veterans' Bureau upon the findings and experience of several bureaus and commissions which attempted to function after the close of the last war. In every enactment which enlarged upon this agency and the laws which it administers, the records will show the part played by the American Legion. From one central agency in Washington this enterprise has grown to one with headquarters in the Capital City and 93 branches with 79,562 hospital and domiciliary beds. The set-up is something the veterans of World War I did not have upon their demobilization. Congress has charged the Veterans' Administration with the responsibility of providing compensation, insurance, hospitalization, and vocational rehabilitation training and placement of service-connected veterans. We of the Legion feel that all veterans' benefits should be administered through this fine agency.

Perhaps the most important subject for consideration of the Congress is that of returning discharged veterans to useful employment. The Barkley-May bill

provides a period for readjustment, after which there must be provided unemployment compensation benefits over a sufficient period of time to assure gainful employment to all returning veterans able to work, and, of course, this program must be a Federal responsibility. The American Legion has adopted a definite program, calling first for orderly demobilization, bearing in mind the character and length of service, the hardship cases of the family man and those with dependents.

I realize, of course, that many of these proposals will not come before your committee, but I feel certain you would want to know something about our organization's post-war planning. The American Legion within a short time intends to have bills introduced and is prepared to give testimony, based on extensive studies, on the separate phases of this program as they come before the Congress for consideration.

I want to thank the chairman and members of the committee for this opportunity to appear before you.

Senator KILGORE. It has been suggested to me by numerous people that, when the wounded do come out, the A. S. T. P. should get them, and then some of them be retained in the army, and while on army pay be given something similar to this A. S. T. P. training to fit them for some kind of work that they can do in spite of their wounds. Has that been taken into consideration in this bill?

I have found that the paying of a lump sum of money of any kind, on the average it is spent very speedily, sometimes there is no rehabilitation takes place and the money is wasted—all too frequently is wasted. It is not a question of just the finances here, it is a question of the soldier himself I am looking at. Possibly, if he could be kept under Army control or Navy control or Coast Guard control for a time, and given some training to fit him for a useful place in life afterward, it might be better than mustering-out pay. I am just wondering if you have considered that in this bill.

Mr. ATHERTON. Senator, there is some truth in what you say. Undoubtedly a number of men receiving a lump sum would not put it to the best use. However, I think that a very large majority of men would use it wisely, and I think it is better to give that majority the opportunity to use it wisely and to receive the benefit from it rather than deny them because of the inability of a few to properly conduct themselves. I think it is better to give this benefit and privilege rather than to deny all of those demobilized any privilege of this type.

A year ago we recommended that to the greatest possible extent the Army and Navy make use of disabled men in performing administrative duties and in using them in places where the training might be beneficial after final discharge.

What you have mentioned probably contemplates something bigger, beyond, or that the man receive training, or be required to take training while still under Army and Navy discipline, but of course you eventually reach the time when the man goes out on his own, and those too weak to care for themselves will always need assistance. We think in dealing with ten to twelve million men and women that eventually we must take some blanket means like this.

Senator KILGORE. This was particularly impressed upon me when I was told by the facility manager for the Veterans' Administration that, although they have a rehabilitation program in a very large area of which he was in charge, a short time ago only two discharged wounded veterans had applied for rehabilitation. It was also brought to my attention by the father of one boy who had been discharged on a certain certificate of disability for injury received in line of duty.

This boy was a great athlete, had been in college on an athletic scholarship which was paying his way through. Due to his injury he will be unable to go ahead with his education, because his parents cannot keep him in school. \$300 would have been but a drop in the bucket. I have checked the record of the boy, after his father had come to me and asked what could be done, and discovered that, contrary to the general belief regarding athletes, he was a very brilliant student also, and was just at the beginning of his junior year when he was inducted into the service.

With the 18-year-old draft, we have taken a tremendous number of students out of college, a lot of them on scholarships of various kinds, which their disability may prohibit them from resuming at the conclusion of the war, and thereby, we as a government have done them irreparable injury unless we do take some steps to go forward with that sort of thing. That is the reason I am asking these questions. That was not so true in the last war, because our limit then was 20 years, but now it is 18, and we do step quite definitely down into the undergraduate group and a tremendous number of our undergraduates are under various types of scholarships that they will be unable to resume when the war is over.

Senator THOMAS. Mr. Chairman, may I make a comment here. I think it will be favorable—two rehabilitation bills, both that for veterans and for civilians, are now law, and we, in our Education and Labor Committee are now working on an educational bill which will take care of such cases.

Senator KILGORE. I have a copy of that bill.

Senator THOMAS. And there may always be a need for this type of bill. According to Dr. Munson's study, for example, only about 7 percent of the soldiers who come out will avail themselves of the educational opportunities offered by the Government, and they have gone into rather complete statistical studies.

Now due to the adoption of the rehabilitation bill, there are certain persons who are going to be deprived of rehabilitation benefits which they would not have been deprived of if they had not divided the bill into two parts, due to the way in which our country geographically exists.

When you take also into consideration the other measure, the social security side for the soldier, we may be able to take care of all these persons in one way or another that want or that need to be taken care of, but wisdom and experience, especially experience in the last war, shows that there is a gap where the average soldier boy who comes out needs this mustering-out arrangement and needs it very, very much. We all went through that personal experience in the last war, that period of adjustment to the individual man who applies on a voluntary basis for needs that are peculiar to him, and finds himself lost in the 1 or 2 months, whereas he could adjust himself and think straight if he had the opportunity. Some men are going to be deprived of privileges that the Government is going to offer them, just for the mere fact of the loss of ability, when they are relieved from one job to go into another, without having a chance to think straight for the 2 or 3 months which this mustering-out pay will give them a chance to do.

Senator KILGORE. Of course, Senator, I will admit my remarks are a good bit colored by the fact that those being mustered out now are practically all disabled—

Senator THOMAS. Yes.

Senator KILGORE. Those honorably discharged are all coming out with wounds or other disabilities that occasioned their mustering out.

Senator THOMAS. The theory is now that every disabled man is taken care of, and we know in fact he is not.

Senator REVERCOMB. You mean by rehabilitation?

Senator THOMAS. Rehabilitation.

Senator KILGORE. I recently found one in jail in my State, insane. He had just come back out of the Solomons suffering from what we commonly call shell shock, and I had to get him out of jail and get him into an institution because of the lapse of time between the discharge and picking him up was too great, and during that interval he was turned loose upon the people.

Senator AUSTIN. I just want to get on the record here before we leave this point relating to the discharge of enlisted men for physical reasons, a circular dated November 11, 1943, relating to this subject that states the general policy of the War Department not to waste such men, but to try to utilize them in such capacity as they are able to be fitted for, and to retain them in the service and give them an appropriate assignment, and I ask permission to have it printed at this point in the hearing.

The CHAIRMAN. Without objection, it will be printed at this point in the hearing.

(The circular is as follows:)

CIRCULAR NO. 293

WAR DEPARTMENT,
Washington, D. C., November 11, 1943.

Enlisted men—utilization of manpower based on physical capacity.—1. Rescission of previous instructions.—a. Circular No. 395, War Department, 1942, as amended by section II, Circular No. 404, War Department, 1942; section I, Circular No. 39, and section II, Circular No. 101, War Department, 1943; section III, Circular No. 161, War Department, 1943, as amended by section I, Circular No. 176, War Department, 1943; paragraphs 2 and 3, section III, Circular No. 189, War Department, 1943; and Memorandum No. W615-64-43, August 26, 1943, are rescinded.

b. All instructions and directives in conflict with the provisions of this circular are rescinded.

2. General policy: a. It is imperative that each enlisted man be assigned to the position in which he can render the maximum service. Classification, assignment, reassignment, and training are command functions which must be exercised energetically and continuously so that the skill, aptitude, physical qualifications, and capacity for development of the individual are used to the utmost.

b. Some assignments require enlisted men of unusual strength, stamina, and all around physical ability but even in combat units there are many positions which can be filled by men of lesser physical attainments. Conservation and proper use of our manpower require that each enlisted man found in an assignment beyond his physical capacity be reassigned to a job within that capacity. Many enlisted men who are below current physical standards for induction are extremely valuable to the Army because of their training, experience, ability, and demonstrated capacity to render service in a specified assignment. The discharge of an enlisted man for physical reasons because he is incapable of serving in a physically exacting position when he may well render adequate service in a less exacting assignment is a waste of military manpower and is prohibited. Such men will be retained in the service and will be given appro-

priate assignments even though they do not fulfill the minimum physical standards for induction under MR 1-9.

c. (1) Officers responsible for selection and dispatch of oversea casual replacements will select only those fully qualified physically to perform the duties of their military occupational specialties under field conditions. See paragraph 4a (6).

(2) Men of Table of Organization units dispatched overseas must be considered in the same way. At the time they were assigned to units these men were considered physically qualified to serve therein. Those found definitely not qualified should be removed as early as possible in the training period. As members of units arriving at a port of embarkation these enlisted men have been trained in their jobs, have proved their ability in their assignments, and have become part of the organization team. Though they may not meet the standards for individual replacements, they are considered fully capable of performing adequately in their current assignments unless they have suffered recent marked physical set-back or deterioration. The unnecessary removal of trained enlisted men from units immediately prior to departure for overseas is a flagrant example of wastage of military manpower and training, destructive alike to the morale of the individual and the efficiency of the unit.

d. The existence of a nonprogressive or remedial defect or disease which would disqualify a man for dispatch overseas will not be sufficient reason to return him to the United States from an overseas theater. Men whose defects are such that they can be remedied within the oversea command and those who can serve usefully in any assignment in oversea theaters, despite their defects, will be retained. Malaria alone, without incapacitating residual damage or sequelae, such as marked splenomegaly or cachexia, will not be a reason for return to the United States from overseas.

e. The discharge of men who can render effective service is prohibited. On the other hand, the retention of men unable to perform a reasonable day's work for the Army is wasteful. Therefore, commanders and surgeons will exercise extreme care and judgment in arriving at a decision to discharge an enlisted man on physical grounds. It is essential that commanders exercising discharge authority give this matter their closest personal supervision so as to obtain the maximum benefit from available manpower. Enlisted men who are physically unable to render useful military service in any assignment that can reasonably be made available will be discharged immediately under the provisions of AR 615-360. If overseas they will be returned to the United States for discharge.

f. Enlisted men will be assigned to the most active-type of duty appropriate to their physical qualifications with due consideration to their civilian training and experience, education, intelligence, aptitude, leadership ability, and acquired military occupational qualifications. All commanders and those staff officers concerned with personnel must study this matter continuously, for it never remains static.

g. Each of the three major forces must make the best use of its physically handicapped enlisted men. Enlisted men will not be transferred from one major force to another solely by reason of physical condition without the concurrence of the commanders concerned, except as directed by the War Department. Enlisted men of the Army Ground Forces who cannot be used in any unit or installation thereof by reason of physical handicap, but who are considered capable of rendering useful service elsewhere, will be reported to The Adjutant General for reassignment.

3. Use of term "limited service": The use of the term "limited service" pertaining to enlisted men is discontinued. This term is used only at armed forces induction stations where similar terminology is used by Selective Service and the Navy. Discontinuance of the term "limited service," however, does not mean that men heretofore classified as "limited service" are to be discharged or that the Army will not continue to induct and use men who do not meet the full standards for general service. No man will be discharged for physical disability if he meets the standards for induction for limited service currently prescribed in MR 1-9.

4. Physical standards for dispatch overseas: a. Enlisted men will not be dispatched overseas who have any of the following refects:

(1) Pronounced psychiatric disorders. Men with other psychiatric disorders, except mild psychoneuroses, transient in character, will not be sent overseas with combat units or as casual replacements.

(2) Hernia, except small incisional or umbilical. Moderate impulse produced by cough at the inguinal ring or at the site of a scar is not necessarily indica-

tive of hernia. Diagnosis of inguinal hernia must be based upon demonstration of a hernial sac.

(3) Class I dental defects, except those individuals whose only defect is the need of prosthetic replacements, provided that, despite the missing teeth, they have been able to follow a gainful occupation in civil life, and histories indicate that restoration of the missing teeth is not essential.

(4) Enucleation of an eye with or without prosthesis.

(5) Individuals who have suffered from tropical diseases causing residual damage or sequelae, or tropical diseases, such as filariasis, which are liable to exacerbation or serious aggravation upon reinfection. This does not include uncomplicated malaria, except that individuals who have or have had a clinical attack of malaria or in whose blood malaria parasites are found will not be sent overseas until 6 months subsequent to the date of recovery from symptoms or of disappearance of parasites from the blood.

(6) Defects below the minimum physical standards for induction as provided in MR 1-9, as amended, except that enlisted members of units who have defects below the minimum standards for induction, other than those listed in (1) through (5) above, and who have been trained in and have performed adequately in their current assignments, or who are believed capable of serving usefully therein, will be retained in their units.

b. Enlisted men not qualified for oversea service as specified in this circular will be removed from units prior to departure from home stations. Examinations of men in units at staging areas will be limited to necessary physical inspections to determine the existence of communicable disease, venereal disease disqualifying under the provisions of e below, and to locate and remove those whose physical condition has undergone a marked and disqualifying deterioration subsequent to the screening at home station. The removal of men from units at staging areas immediately prior to departure overseas must be reduced to a minimum.

c. Enlisted men with physical defects which disqualify them for oversea service will not be reassigned to oversea replacement depots, casual shipments, or tactical units of the field forces which have been alerted for oversea service. They will be reassigned to installations, activities, or units assigned to duty in the continental United States until their defects are remedied. This does not prohibit the appropriate reassignment to new or low priority units of casual replacements disqualified under a (6) above, but who otherwise meet the requirements for oversea shipment as members of units.

d. When disqualifying defects are discovered, appropriate notation will be made on Soldier's Qualification Card under "Remarks" (par. 28, W. D., A. G. O. Form No. 20) and on service records (W. D., A. G. O. Form No. 24) under "Remarks Administrative." Prompt initiation and early completion of action to remedy correctable defects is the responsibility of every commander.

e. (1) When otherwise qualified, enlisted men with venereal diseases are eligible for oversea shipment except for those with the following conditions:

(a) Chancroid or undiagnosed penile ulcers.

(b) Primary and secondary syphilis unless two injections of an arsenical have been administered.

(c) Sulfonamide-resistant gonorrhea as determined by failure to respond to one course of treatment.

(d) Gonorrhea with complications such as epididymitis, arthritis, and severe acute prostatitis.

(e) Granuloma inguinale or lymphogranuloma venereum.

(2) When penicillin is available on transports, all individuals with gonorrhea, except those with complications listed in (1) (d) above, may be shipped.

5. Uniform standard and procedures to prevail: Commanders will require officers under their jurisdiction to read this circular within 48 hours of its receipt at the station. They will then conduct the conferences and inspections necessary to insure that all concerned are acquainted with these policies and that a uniform understanding of standards and procedure is achieved.

[A. G. 220.4 (6 Nov. 43).]

By order of the Secretary of War:

G. C. MARSHALL,
Chief of Staff.

Official:

ROBERT H. DUNLOP,
Brigadier General,
Acting The Adjutant General.

Senator AUSTIN. Now, may I ask a question?

The CHAIRMAN. Certainly, Senator.

Senator AUSTIN. Mr. Commander, section 2 of this bill differs from section 2 of the House bill on the same subject. Are you familiar with the House bill?

Mr. ATHERTON. I am. Is the difference to which you refer, Senator, the difference between a \$300 lump-sum payment and the staggered payment of \$300 based on length of service?

Senator AUSTIN. Yes.

Mr. ATHERTON. Yes; I am familiar with that difference.

Senator AUSTIN. Will you give us the attitude of the American Legion on that point of difference?

Mr. ATHERTON. Well, we feel that the staggered amount which varies from one to three hundred dollars is preferable to a lump-sum payment of \$300.

As the Senate bill is now written, we believe it would authorize the payment of \$300 mustering-out pay to the man who had been in service for 45 days. Obviously, there would have been very little disruption to his affairs, he probably would go right back into the job he had left, and there would be a disproportionate payment to him for his very short service, and in probably a minor capacity, and he would hardly have gotten in and out of the boot camp. I think the varied amount is much fairer and is justified by the more difficult conditions which would face a man who had been in the service much longer. Obviously, \$300 would not be a large amount for him to completely outfit himself with civilian clothes and if he was a few weeks out of employment he would consume it all, but it would not be a very high commitment in proportion to his length of service. I can say for the Legion that it is in accord with the principle. They approve the staggered form of payment as fairer and meeting the situation better.

Senator AUSTIN. May we have section 2 of each bill printed in the record at this point.

The CHAIRMAN. Certainly, Senator—have you got a copy of the House bill?

Senator AUSTIN. It is number H. R. 3742.

The CHAIRMAN. Section 2 of H. R. 3742 and section 2 of Senate bill 1543 will be printed in the record at this point.

SECTION 2—H. R. 3742

Mustering-out pay, for persons who shall have been in active service during the present war for six months or more, shall be in the sum of \$300; mustering-out pay, for persons who shall have been in active service during the present war for less than six months but for more than four months, shall be in the sum of \$200; mustering-out pay, for persons who shall have been in active service during the present war for less than four months, shall be in the sum of \$100. \$100 of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount, if any, of mustering-out pay shall be paid in two monthly installments: *Provided*, That, in the case of persons selected for training under the "Servicemen's Education and Training Act of 1943," all payments under this Act shall be suspended during the time that such person has been selected for attendance at an approved educational institution: *Provided further*, That no person shall be entitled to receive mustering-out pay in excess of \$300 under the provisions of this Act.

SECTION 2—S. 1543

Mustered-out pay, for persons eligible under section 1, shall be in the sum of \$300. \$100 of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount of mustering-out pay shall be paid in two consecutive monthly installments: *Provided*, That, in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments under this Act shall be suspended during the time that such person has been selected for attendance at an approved educational institution.

Senator REVERCOMB. Mr. Chairman, as a matter of inquiry, section 5 of this bill—

The CHAIRMAN. Of the Senate bill?

Senator REVERCOMB. Yes. Defines the term "Member of the armed forces." Now, we know that the Army Nurse Corps is a component part of the Army. Can anyone advise us about the Navy Nurse Corps? Is that a component part of the Navy?

Mr. ATHERTON. My understanding is that it is—may I ask Mr. Sullivan?

Senator KILGORE. They are commissioned members of the Navy; they are all ensigns.

Mr. ATHERTON. The Navy Nurse Corps is a component part of the Navy.

Senator KILCORE. The Navy Nurse Corps is all ensigns or higher.

Senator REVERCOMB. Then they are component parts.

Mr. SULLIVAN. The Army nurses have relative ranks—

Senator REVERCOMB. They are members of the Army, we know that. I wanted to inquire about the Navy Nurse Corps.

Mr. ATHERTON. Mr. Chairman, may I reply to Senators Kilgore and Thomas at this moment.

The CHAIRMAN. Certainly, Mr. Commander.

Mr. ATHERTON. Senator, I am particularly mindful of what you say about interrupted education, because two of our sons are now flying and left their schools to go into the service, and I am hopeful that, as a father, of course, they will return to complete their education. I am particularly cognizant of the importance of as many as possible of these young men who have gone into the service completing their education. Those who are coming out now are first lured by the high prices, high pay, of wartime employment. When the war is over, perhaps then they will think more seriously of going back to school.

The American Legion has a number of educational committees on national training, as desirable aids to the discharged veterans. If this bill was the only benefit contemplated to returning veterans, we, Mr. Chairman, would be respectfully but insistently urging that it be amended or another introduced to provide additional benefits.

But, agreeing with Senator Thomas, without question, in almost every instance there will be an immediate need, an immediate necessity for some cash, and we think that this bill, providing for payments on a staggered basis, would very, very well meet the situation.

One reason perhaps, that many battle casualties which are now discharged are not taking advantage of the rights and privileges they could take advantage of at this time, as authorized by legislation, is that they do not have much opportunity to have those rights explained to them by persons who are trained in rehabilitation legisla-

tion. At the present time, both the Army and Navy only permit representatives of the Red Cross to contact veterans in hospitals. The Veterans' Administration have a great difficulty in getting trained help or keeping trained help that they have, and they have not been able to provide enough contact men who have the requisite training to call upon each veteran while he is in his bed and tell him all about the intricate laws which now govern his rights.

I called that situation to the attention of the President a month ago and he authorized me to quote him on this subject and to state that he favored the admission to those hospitals of representatives of the veterans' organizations, and particularly of the American Legion who have been engaged in this type of work for a number of years and who are trained advisers on the subject of a veteran's rights, if he is about to be discharged.

We maintain about 300 paid men throughout the country, including our national organization and the State service officers, all of whom are men who have had at least 10 years' service in this field. We think they could be of very great help to the Army and the Navy if they were permitted to call upon men and to advise them of their rights to vocational training and other rights.

I am sorry to say I received a letter from the Secretary of War when I applied formally for such permission, declining that permission on the ground that by some law, I think, of 1912, the Red Cross has been made the only official member of the sanitary training—whatever that has to be with it—I am afraid, although Senator Chavez has gone, that it is another one of the letters that perhaps the Secretary didn't have a full opportunity to read after signing it.

I have not yet received an official reply from the Secretary of the Navy. He has asked for more information, indicating that the request is being given extended and perhaps favorable consideration.

There has been a suggestion, speaking frankly, Mr. Chairman, that perhaps these representatives would want to go in and pester men in bed with applications for membership. That is absolutely forbidden by the orders of our organization to all men working in this field, and they are not that type of men. They are men whose prime interest is in seeing that the veteran is assisted along the best possible lines, and I think that I agree, Senator, that it would be far better if a young man would go into a formal training which would aid him to get a permanent place in life, rather than just jump and take some shipyard pay for a few weeks or a month, and particularly as to that, I think it would be very beneficial if the services of the trained personnel were made available to the men who are now in the hospitals.

I visited the Woodrow Wilson Hospital in Virginia just last week where there were 1,300 men. As I went through with the chaplain, one young man walked up and asked to borrow \$5 from the U. S. O. Wounded in Sicily he had not had his pay for 4 months, and he could have used the services of a man who could advise him how best to get the affidavits or other substitutes which would make up the gap in his record, and I am sure that 99 percent of all those men I saw in bed there would appreciate a call from a person who could give them sound technical advice as to their rights and good fatherly advice as to the best course for them to pursue.

Senator THOMAS. Mr. Chairman, may I comment there for the benefit of all, because several committees have been working upon this same

thing. The testimony which Mr. Atherton has given was given in project form; that is, it was the testimony of every man that knew this problem before the rehabilitation committee that there would be so many men and so few Government agencies, that every resource which the Government has supplied should be made available for the Veterans' Administration Bureau, or whatever agency it is that is handling this situation, and that there should not be a keeping away from veterans certain State institutions that have been working and civilian institutions. We have been aware that the task would be very great. I had no idea that the prophecy would be fulfilled so soon. I knew that it would come in several days, but I did not think it would be with us now.

My point, Mr. Chairman, is simply this, that if, in our desire to be helpful to some 13 or 14 million persons we close the door on a lot of agencies to these persons, we are going to hurt the very persons we are trying to help, because there is just not any facility big enough in the Government set-up now, even if we retain the overhead in the Army to take care of your active army, your rehabilitated persons, your sick persons, your injured persons, and the education of inductees and all the rest of it, so that the breadth of this question that is facing us is the thing that should attract our attention all the time rather than the notion that we are doing what has probably been in the past something for certain people, but just certain people, and be proud of that.

In other words, the Army has become so big, and by Army, I mean the Navy and all the various services, that we will have a task on our hands, the like of which our country has never had, if we are going to develop the leadership which we will lose if we do not develop it, in taking this mass of our body politic into the service as a result of the war. My only thought in saying that is that we should not close the door of any veteran to the various facilities that are all open to him, and that General Hines, for example, should be able to use all the rehabilitation set-ups we have, and turn them to the advantage of these people, and that is what the aim was in the original rehabilitation bill. It was spoiled, but I think that it will not be ultimately spoiled, because there is such a great demand, when we see the point and mistakes we made, before we go very much further.

Mr. ATHERTON. The American Legion heartily endorses what you have said, Senator, and indicative of the great load we are going to soon be under, or are already under, may I mention that I received information yesterday that 100 men are in the State hospitals for the insane in northern California alone. They have been picked up shortly after discharge, and the Veterans' Administration facilities for NP cases are now entirely filled up, and this load is getting too great entirely, almost overnight.

Colonel SANDERS. Mr. Chairman, might I make a statement?

The CHAIRMAN. Yes, Colonel Sanders.

STATEMENT OF COL. LEWIS SANDERS

Colonel SANDERS. Commander Atherton is correct as to no outside agencies, that is, outside of the Government, being in the hospitals, but that does not mean that there are no services being rendered to the men in the hospitals. Two services are being rendered them.

One is by the Veterans' Employment Service, which has interviewers placed in a number of hospitals, which they are constantly increasing, to interview all men desiring an interview on a job before they leave the hospital, so that their records would be sent directly to the United States Employment Service. There is an item in the deficiency appropriation bill for 200 additional interviewers for that service.

In addition to that, since October 1942 the Red Cross has been interviewing men before discharge for the Reemployment Division. We have been getting on the average of 6,000 to 7,000 interviews per week which are sent down to the Reemployment Committee. Fifty-nine and one-half percent of the men indicate that they do not want any assistance, or they are already back in jobs, by the reports from the reemployment committees, of which we are averaging about 1,800 reports a week. This is not any argument against the commander's suggestion at all. It is simply to show what is actually being done. What is being done is not enough, but I don't want the record to look as if nothing was being done.

Mr. ATHERTON. I think we are entirely in accord with that, Colonel. I have no criticism of what is being done. We are agreed that for physical reasons, lack of enough help, enough is not being done.

Colonel SANDERS. Also, we fully realize that no Governmental agency can do this job; for that reason the Reemployment Division is having organized all of the massed resources of the country through existing organizations, combining through what are known as clearinghouse committees, and the head of the national committee is the head of the Legion employment committee, and we have been working very closely with the Legion and they are one of our most valued allies.

The CHAIRMAN. Any other questions, gentlemen of the committee, or observations any members would like to make?

If not, Mr. Commander, we want to thank you very much for appearing here this morning. We are glad to have had you, and we extend to you congratulations upon your recent election as national commander of the American Legion. I am sure that the other members of the committee join with me in wishing for you a very successful tenure of office. We will be glad to have you come before us at any time, and to hear from you at any time with respect to the matters in which the members of the American Legion are interested.

Mr. Sullivan here is a very excellent legislative representative. He comes before us quite frequently. He is possessed of a fine personality, and we are always glad to see him.

Mr. ATHERTON. We like him and are glad that you do.

Mr. Chairman, may I ask this privilege, that I supplement my remarks and statement by filing a compilation of the cases which I have, referring to men who are, on account of the gap between discharge and rating, discharged without any funds, as supporting our position that this mustering-out pay would have been of great help to them, and will be a great help to others who are mustered out.

The CHAIRMAN. I am sure there will be no objection upon the part of any members of the committee. There being no objection, we will be glad if you will furnish that information in typewritten form as early as you can, so that the reporter may incorporate it in the record at the conclusion of your remarks.

Mr. ATHERTON. Thank you.

(The additional statement of Mr. Atherton follows:)

**STATEMENT BY WARREN H. ATHERTON, NATIONAL COMMANDER
OF THE AMERICAN LEGION, ON RESULTS OF SURVEY OF WORLD
WAR II CLAIMS, DECEMBER 2, 1943**

A telegraphic and air-mail survey of American Legion service officers on pending World War II claims show that there has been and still is considerable delay from the time these men are released from service, file their claims, and receive the first check in settlement thereof. This delay is attributable to a number of circumstances, according to these service officers. Some States report no undue delay, but most of them have cases of record filed 3 to 7 months ago and not yet settled. The American Legion feels that all Government agencies concerned should coordinate their activities to the end that men and women released from service because of disabilities shall not be subjected to inconvenience, embarrassment, and at times distress because their claims for disability compensation are not settled promptly. The American Legion has clearly in mind that a great number of these claimants have been in service for several months, have become incapacitated in training or combat, and are now back in civil life or back in hospitals and institutions because the armed service has no further use for them. While they were in they made allotments to their dependents to which was added the Government allowance. This benefit is discontinued in each case upon discharge. Having no other income the disabled dischargees must rely on financial assistance from private or charitable sources. Such a situation, especially for the combat disabled, should not be tolerated. Based upon the findings of the survey just completed, and upon the experience of the organization in claims and rehabilitation, the following recommendations are made by the American Legion to the Federal Government:

1. Every serviceman whose disabilities or physical condition are reparable should be retained to the armed services to receive the maximum benefits of hospital and medical care. If there is need for further convalescence or institutional care the liaison between the Army and Navy on the one hand and the Veterans' Administration on the other should really function and be applicable in each case. Men should not be returned to civil or State authorities unless so desired expressly by the folks at home.

2. The Veterans' Administration hospital bed capacity, especially for the nervous and mental cases and the tuberculous patients, should be enlarged so that all those released from service and in need of further care may be accommodated. The American Legion is committed to the proposition that the Veterans' Administration be a war agency for the duration of hostilities and 6 months thereafter, to assure its proper place in the priorities rating for construction material, equipment, personnel, and supplies.

3. As a direct contribution to the informational and advisory service to prospective discharges the Veterans' Administration should have contact representatives at the larger discharge centers, especially those handling combat troops.

4. To obviate delays in adjudicating claims for obvious and indisputable disabilities the War and Navy Departments should permit the assignment of Veterans' Administration rating boards at the larger discharge points or demobilization centers.

5. Mustering-out pay in amounts dependent upon length of service should be made available with a portion payable at discharge and the balance within 30 and 60 days thereafter. The national commander of the American Legion testified before a Senate committee on such a proposal December 1, 1943.

6. The furnishing of medical and clinical records from service hospitals at which the disabled person may have been treated before he reached the discharge center must be speeded up. It is understood that such records may be essential in the adjudication of many cases, but in many others they would contribute little or nothing to the identification and evaluation of the disability causing discharge. Another bottleneck was found in the furnishing of photostat copies of induction or enlistment examination reports. As the result of a former survey

made by the American Legion the War Department was furnished with findings upon which officials took action. It has been reported that this bottleneck is now eliminated and that requests for these photostat records will be handled within 5 days from date of receipt.

7. The present arrangement of sending records and reports of disabled discharges to the nearest regional office of the Veterans' Administration should be changed so that these records are dispatched promptly to the Veterans' Administration office having jurisdiction in the man's home State. This change may require Veterans' Administration contact people at the different discharge points as recommended above.

8. The lack of sufficient trained personnel in the adjudication field is a cause of delay in handling these cases in most stations. The manpower situation is recognized, but yet the Legion cannot refrain from urging and exhorting the Veterans' Administration to authorize the additional help requested by field offices, and to immediately step up recruitment and training programs for this purpose.

9. Some service officers have reported that the lack of complete and clarifying instructions from the central office of the Veterans' Administration to the regional offices on the adjudication of the new claims has been an element of delay. Certainly this should be overcome immediately.

10. Each claim is assigned a C-number. So far this is done by the central office. Complaints have come in that the delay in assigning these numbers has held up adjudication of cases for as long as 2 or 3 weeks. The Legion feels this is an administrative problem that could and should be met and solved right now.

11. The present fiscal arrangement whereby disbursement on vouchers and rolls certified by the Veterans' Administration are made at disbursing offices, one in each Federal Reserve district, also contributes to delay the issuance of the initial check and settlement of the claim. Up to about 8 years ago the Veterans' Administration had its own disbursing officers. Reverting to that arrangement now should serve to expedite the payment of individual and new claims.

These conclusions rest upon observations sent in by trained service officers in 34 States. They cited by name and number (if assigned) 1,535 cases of disabled men. It is understood that many cases may require development of pertinent information, but that should not be permitted to slow down the whole rating machinery. Another factor cited is that of settling the question of waiver of premiums on insurance during period of total disability. Also the payment of insurance benefits and pension to the dependents of those dying in service. The jurisdiction over both these is in central office, and the many delays reported call for prompt improvement in the system of disposing of these cases.

There may be many other considerations touching upon the broad question of delays in the settlement of disabled veterans' claims. The American Legion submits, however, that if all Government agencies concerned would redouble their efforts to effect complete coordination much will have been accomplished toward the goal sought by the discharges themselves, their folks at home, their representatives, and the Federal Government.

Attached hereto are brief summaries of cases taken from those submitted in the survey. They illustrate many of the points set forth above.

Related to this question are those other important programs of employment and unemployment protection. As to these the American Legion has proposals which are being introduced in Congress and on which further detailed data will be given.

Case 1.—In this claim the veteran served honorably in the Navy from March 4, 1932, to February 8, 1938. He reenlisted on May 4, 1938, and was honorably discharged on medical certificate on account of active tuberculosis, incurred in line of duty, on April 6, 1943. The Form 526 was received in an office of the Veterans' Administration on April 21, 1943, and it has not been adjudicated as yet on account of the fact that complete records have not been received from the Navy. Contact was made with the adjudication officer about the delay in this claim on October 22, 1943, and again on November 29, 1943.

Case 2.—This veteran was discharged insane, unable to sign his discharge. Claim was filed April 12 and we have not yet been able to get this veteran examined. While it is true that the Veterans' Administration wrote to the

sister and a service officer, no letters were written to either or anyone in the months of September and October. Request was made for an attendant by this office on August 2 and the Veterans' Administration under date of November 9 finally complied with this request and wrote the veteran.

Case 3.—This boy enlisted on July 13, 1940, and was declared unfit for service on January 13, 1943, with this notation: "Patient was struck in the head while in combat against the Japanese in Guadalcanal, penetrating wound right parieto-occipital region produced by grenade. Diagnosis, hemiplegia, spastic, left." He was honorably discharged on C. D. D., July 3, 1943, and his claim was filed the same date. He was rated 50 percent disabled October 25, 1943, and advised of this rating on November 4, 1943, with rating effective from July 5, 1943. Vocational rehabilitation recommended.

Case 4.—Claim was filed in this case July 3. The case file was transferred to Central Office for consideration by the Veterans' Claims Service on October 6, 1943. One reason for the delay in this particular case is that the veteran had a claim pending for officers' retirement pay which had to be disposed of.

Case 5.—This claimant was discharged from the hospital on August 16, 1943 and on November 11, 1943, an office of the Veterans' Administration had to make a second request of the War Department for a medical report. He was examined at a Veterans' Administration hospital and some adjustment was made.

Case 6.—This claimant was discharged August 15, 1942 from the Army Nurse Corps, and claim was filed February 4, 1943. Reports from the Adjutant General's Office, for which requests had been made several times, were not received until the latter part of August 1943. The decision has been deferred until completion of the requested neuropsychiatric examination by the Veterans' Administration.

Case 7.—This veteran was discharged from service July 27, 1943, with a diagnosis of dementia praecox, paranoid. The handicap estimated by the rating board is 100 percent. Action toward releasing payment on the veteran's behalf apparently is not to be expected until the facility is informed officially with respect to the character of the veteran's discharge. It seems quite evident that this veteran served honorably, but the Authorization Unit has refused to release the payments until officially reported that discharge was honorable.

Case 8.—Discharge from service in this case was effected July 26, 1943. Decision by the rating board on October 7, 1943, recognized the veterans' entitlement to pensionable rating for weak feet. Release of payments in this case, as in the case to which reference is made immediately above, awaits the receipt of official information of the man having been discharged honorably.

Case 9.—Claim for pension was filed by this veteran at the time of discharge on June 11, 1943. Order for examination was issued by the rating board July 30, 1943. Before conducting the studies the medical authorities thought it advisable to have a social-service investigation made. It seems probable that another 3 or 4 months will elapse before a decision can be effected in the circumstances that exist, due to the accumulated load and number of orders for investigations.

Case 10.—Claim was filed June 17, 1943. Several follow-ups by a Veterans' Administration facility have not brought the receipt of War Department reports.

Case 11.—This veteran enlisted October 25, 1941, and was honorably discharged on C. D. D. December 23, 1942. Form 526 was received in an office of the Veterans' Administration on January 4, 1943. On January 5, 1943, service records were requested from the Adjutant General's Office and were received in this office on February 19, 1943. Under date of April 10, 1943, the Rating Board requested supplemental service records from the Adjutant General's Office which were received in the Veterans' Administration on May 7, 1943. A second supplemental Adjutant General's report concerning alleged treatment at Fort Custer was requested May 10, 1943, and on June 14, 1943, a third supplemental report of clinical records of treatment at Fort Custer was requested. Complete records of the claimant's treatment at Fort Custer were received in the Veteran's Administration on July 26, 1943. August 3, 1943, an examination and psychiatric social history were requested by the rating board and the latter was received on September 12, 1943. Then on September 14, 1943, the rating board

requested an examination based upon psychiatric social report. The claimant was examined at a Veterans' Administration facility on October 14, 1943, and report of this was received November 15, 1943, in the regional office. On November 20, 1943, the rating board rated the claim and granted service connection for a nervous condition, incompetent and in need of a guardian. On account of the claimant's having been declared incompetent, Chief Attorney requested that a fiduciary be appointed under date of November 24, 1943. No check has been issued as yet.

Case 12.—In this case the veteran, totally blind, was discharged from an Army hospital on June 30, 1943; the Army service records were not received in the regional office until the week of November 22, 1943; therefore, the veteran has not as yet, and probably will not for 30 days, receive the pension check to which he is entitled.

Case 13.—This veteran was discharged from service March 31, 1943. Form 526 was submitted to the Veterans' Administration on August 9, 1943. The regional office has only a dummy file on this case. The principal folder was sent to the Index Division, office of Chief Clerk, on August 9, 1943, for the reason that, in addition to the veteran's service in the Navy in World War II, he had also had peacetime service in the Army, just prior to World War II. Under date of September 14, 1943, the Chief Clerk advised the regional office that the veteran's file was being referred to the Insurance Claims Council for attention to the veteran's claim for waiver of premiums.

Case 14.—This veteran was discharged from service on March 4, 1943. He has been granted service connection for tuberculosis, pulmonary, active, under date of May 5, 1943, and has been rated 100 percent from March 5, 1943. His claim file was sent to the Director of Insurance on September 25, 1943, for action on a question of entitlement to waiver of premiums. The file has not been returned to this date, November 26, 1943, and no action has been reported by the Insurance Claims Council.

Case 15.—A recent survey of State hospitals for the insane in northern California alone showed 100 discharged veterans of World War II being confined therein because of lack of beds in Veterans' Administration facilities.

Colonel SANDERS. Mr. Chairman, I would like to submit a copy of a new Report of Separation form, of which a copy is given to the man and as well to the following agencies: The Red Cross, American Legion, Disabled American Veterans, Veterans of Foreign Wars.

These agencies are officially recognized by the Veterans' Administration for this purpose, that is, for the prosecution of the veterans' claims. These organizations have had long experience in this work, and render this service at no cost, so that every man being discharged from the services will have on this new form now going into use information to apply to the veteran organization for assistance.

Senator REVERCOMB. What is the form?

Colonel SANDERS. Adjutant General's Form No. 53. He has that Report of Separation. I will give each member of the committee a copy of it.

The CHAIRMAN. Do you think it would be well to put it in the record? I will instruct the reporter to insert at this point in the record, along with the remarks of Colonel Sanders, a copy of the separation form.

MUSTERING-OUT PAYMENTS

REPORT OF SEPARATION

| | | | | | | | | | | | |
|---|---|-----------------------------------|--|-----------------------------|---|---|--|-------------------|---------|-----|----|
| 1. LAST NAME | | | FIRST NAME | | MIDDLE INITIAL | ARMY SERIAL NUMBER | 2. GRADE | 3. COMPONENT | | | |
| 4. HOME ADDRESS AT TIME OF ENTRY INTO SERVICE | | | | | | | 5. BRANCH OF SERVICE AT SEPARATION | | | | |
| 6. PERMANENT ADDRESS FOR MAILING PURPOSES (IF SAME AS ITEM 4, SO STATE) | | | | | | | 7. RACE | 8. U. S. CITIZEN? | | | |
| | | | | | | | White | Negro | Other | YES | NO |
| 9. ADDRESS FROM WHICH MAN WILL SEEK EMPLOYMENT (IF SAME AS ITEM 4 OR 6, SO STATE) | | | | | | | 10. EDUCATION (IN YEARS) | | | | |
| | | | | | | | GRAMMAR | HIGH SCHOOL | COLLEGE | | |
| 11. SELECTIVE SERVICE DATA | REGISTERED YES <input type="checkbox"/> ND <input type="checkbox"/> | LOCAL SELECTIVE SERVICE BOARD NO. | COUNTY AND STATE | | | SEL. SERV. ORDER NO. | 12. IS JOB AID DESIRED YES <input type="checkbox"/> NO <input type="checkbox"/> | | | | |
| 13. CIVILIAN OCCUPATION | | | 14. MILITARY OCCUPATION | | | 15. SPEC. SERIAL NO. | 16. FOREIGN SERVICE WORLD WAR II YES <input type="checkbox"/> NO <input type="checkbox"/> | | | | |
| 17. MARITAL STATUS SINGLE <input type="checkbox"/> MARRIED <input type="checkbox"/> | 18. NO. OF DEPENDENTS | 19. PLACE OF BIRTH | | | 20. DATE OF BIRTH | DO NOT USE THIS COLUMN 2. Gr. 3. Comp. | | | | | |
| 21. MEANS OF ENTRY INTO SERVICE INDUCTION <input type="checkbox"/> ENLISTMENT <input type="checkbox"/> COMMISSION <input type="checkbox"/> | | | 22. PLACE OF ENTRY INTO SERVICE | | | 23. DATE OF ENTRY INTO SERVICE | 5 Branch 7 Race / Col. 15 M 9 S | | | | |
| 24. CAUSE OF SEPARATION (i.e. C.O.D., Disability, Convenience of the Gov't.) | | | 25. PLACE OF SEPARATION | | | 26. DATE OF SEPARATION | 16. F.S. 17. Mar. 20. Yr.B. 21. S. | | | | |
| | | | 27. TYPE OF DISCHARGE Honorable <input type="checkbox"/> Dishonorable <input type="checkbox"/> Other <input type="checkbox"/> | 28. CHARACTER AT SEPARATION | 29. HAS PENSION CLAIM BEEN MADE YES <input type="checkbox"/> NO <input type="checkbox"/> | | | | | | |

INSURANCE NOTICE

IMPORTANT—IF A PREMIUM IS NOT PAID WHEN DUE OR WITHIN THIRTY-ONE DAYS THEREAFTER INSURANCE WILL LAPSE.

Male checks or money orders payable to The Treasurer of the United States, and forward to Collections Subdivision, Veterans' Administration, Washington, D. C.

| | | | | |
|---------------------------------|---|--|--|-----------------------------|
| 30. Kind of Insurance | (31) New Paid Alimony Direct to V.A. | (32) Effective Date of Adjustment Discontinuance | (33) Date Next Premium Should be Mailed (See Box After 22) | (34) Premium Due Each Month |
| National Service Life Insurance | U. S. Government Life Insurance | None | | |

I certify that all information on this form is in accordance with the records of the War Department regarding the individual above-named and that a copy of this form, indicating his obligations under the Selective Service Law and of his rights and benefits (except where separated from the armed forces by reason of death), has been delivered to him in person.

Signature of Organizational Commander or Adjutant

37. It is my intention to:
 (A) Continue my insurance in full (B) Continue \$ _____ insurance in force (C) Discontinue my insurance

Type Name of Officer, Grade and Organization

NOTE:—If (c) is checked no premium notices will be sent. If reduction in insurance is desired see item 7 on reverse side of form.

39. If discharged for physical disability, state physical limitations, if known

40. If discharged for a physical or mental cause, copy sufficient data from page 2 W. B. A. G. O. Form No. 40 to clearly indicate the cause

41. If discharged for the convenience of the Gov't or transferred to the reserve, state circumstances

W. B. A. G. O. Form No. 53
1 August 1943
(See AR 61E-3G)

POSTING COPY

To: The Adjutant General's Office, Washington 25, D. C.

(Folded and inserted in the Service Record in cases of enlisted men)

The CHAIRMAN. Now, gentlemen, before Senator Thomas leaves, is it your desire, after having heard the commander of the American Legion, and further information here this morning, to pass upon this \$300 mustering-out pay at the present time, or what is the desire of the committee?

Senator AUSTIN. Is there anybody here who has come here for the purpose of testifying about this?

The CHAIRMAN. Colonel Sanders is here.

Senator KILGORE. I would like to hear what Colonel Sanders has to say on it.

Senator THOMAS. I have promised to preside in another hearing. The CHAIRMAN. What is your vote on this bill?

| |
|-----------------|
| 24. Cause Sep. |
| 25. Place Sep. |
| 26. Date Sep. |
| 28. Character |
| 40. Med. Diag. |
| 4. Residence |
| 50. EC. Level |
| 13. Civ. Occup. |
| 19. Nativity |
| 22. Place Entry |
| 23. Date Entry |

Senator THOMAS. I concur with the House bill, the mustering-out provision; that is, I think it should be staggered and not in one lump sum. I have always stood for those things.

Senator THOMAS. When we are ready to pick up the final bill, I will be with you, Mr. Chairman.

Senator REVERCOMB. I believe it is the Senate bill and not the House bill that staggers.

The CHAIRMAN. The Senate bill proposes \$100 on mustering out.

Senator THOMAS. Whichever one it is that staggers, I like that one better.

Senator KILGORE. That is my sentiment about it, too.

Senator AUSTIN. There is a point about the House bill, the amount and the period of service. For example, where a man has been in for less than 6 months, the payment provided in the House bill is \$100 instead of \$300, whereas, I certainly—

Senator KILGORE. Mr. Chairman, I feel sure, on all this legislation, that the Military Affairs Committee should appoint a subcommittee to make a study of these various bills and have a comprehensive program and present it to the committee. I think three men would be adequate for that, because if we get on it in the whole committee without a comprehensive report from one of our subcommittees, I think we are in rather bad shape. I would move that the chairman appoint a subcommittee to study this bill, in conjunction with the House bill, and I call attention to the bill also pending before the Labor and Education Committee, so that the Military Affairs Committee can be acting as part of a program in the passage of this bill. I don't believe it will take very long.

The CHAIRMAN. The Chair would be very glad to have comments.

Senator LODGE. I think Senator Kilgore is just exactly right.

Senator KILGORE. I think if three men will sit down around a table to study all these bills and then report back to the committee, we will get a far better and more comprehensive viewpoint than if we try to take it up around the table here, just one bill.

Senator LODGE. There are so many aspects to this thing, so many individual cases would have to be met, I think we ought to have a subcommittee to go into the whole thing.

The CHAIRMAN. And then get the three bills and study them all?

Senator KILGORE. Yes; I think all the bills should be studied in conjunction with the bill pending before the Labor and Education Committee, and ask the veterans' associations, the Army, the Red Cross, and other organizations to give their opinion.

Senator LODGE. Also, you have the Post-war Committee presided over by Senator George.

Senator KULGORE. That is right.

Senator LODGE. Which has a post-war public-works program, and so forth, and the question of employment for veterans, the question of discharge pay for veterans, medical care for veterans, education for veterans, it could all be considered and we would have a post-war program as a whole.

Senator KILGORE. Well, I think we should have a full-out program on the bills, and then pull together—

Senator LODGE. We should contact the other committees that are affected.

Senator WILSON. Is it your idea that this bill would have to be held up?

Senator KILGORE. I don't think that it is going to take very long.

Senator LODGE. I understand Senator George's committee may report a bill pretty soon.

Senator KILGORE. Yes.

Senator WILSON. If there is going to be any great delay, I would not favor holding up this bill.

Senator LODGE. I don't think it will be a question of more than 1 or 2 weeks.

Senator KILGORE. I don't think it will take more than 2 weeks to work it out.

Mr. Chairman, may I say my statement on this is impelled by my recollection of the last war, in which we went at the thing in a piecemeal fashion. We had first, what was called the \$60 bonus, which we gave to men on discharge, then we followed that up with the rehabilitation bill, then we followed that up with adjusted compensation bill, and the thing went piecemeal, and in the meantime the veterans suffered.

Now if a comprehensive program can be worked out we will all work together, the veterans will be benefited and I think the Nation, too, will be benefited.

The CHAIRMAN. As I understand it, you are pursuing your motion to have it referred to a subcommittee.

Senator KILGORE. Yes, sir; that the bill be referred to a subcommittee with instructions to consider all pending legislation at the same time.

Senator LODGE. I second that motion.

The CHAIRMAN. Any objection?

All those in favor please say "Aye."

Aye.

The CHAIRMAN. Those opposed.

(No response.)

The CHAIRMAN. It will be referred to a subcommittee.

Now gentlemen, we have here General White with us. It is my understanding he wants to make a statement in regard to this bill outlining the general principles he has in mind, is that correct, General White?

General WHITE. Senator, in view of the action the committee has just taken, if the bill is going to be referred to a subcommittee and the subcommittee is going to conduct hearings, perhaps there is no need for me to take your time. Most of it is going to be on technicalities of the thing, along with pointing out defects—

The CHAIRMAN. I think, since we are referring this to a subcommittee, it will be well for you and Colonel Sanders to give your testimony before the subcommittee.

General WHITE. What I was planning to discuss principally was the language of the two pending bills, that is, the Senate bill and the companion bill in the House, and point out to the committee the effects of the provisions, without indicating whether the effects are good or bad. That I cannot decide, but I would show you some things the bill would do that I don't believe have been considered. If a subcommittee is going into the thing and draw a line on these bills, perhaps my testimony would best be before the subcommittee.

The CHAIRMAN. I am of that opinion. What do you think, Senator Austin?

Senator AUSTIN. It will probably save the time of the committees.

The CHAIRMAN. If you testify in person before the subcommittee, I think the effect will be much better and save you that much time, and likewise, Colonel Sanders.

General WHITE. I will be glad to do that.

The CHAIRMAN. Then, that being the opinion of the committee members, you gentlemen will be notified when to appear before the subcommittee.

The Colonel has a very interesting statement prepared here, and I am sure you will be available to the committee at any time, won't you, Colonel, and likewise you, General White?

General WHITE. Yes, sir, I am at your disposal at any time.

The CHAIRMAN. Well, thank you, General.

I am sorry to detain Senator Thomas and Senator Austin, because they are both supposed to be at other committees at this time. Thank you for staying.

That is all this morning, gentlemen.

(Whereupon, at 11:30 a. m., the hearing adjourned.)

APPENDIX

(A letter from the Chief of the Reemployment Division of the Selective Service System follows:)

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C., December 7, 1943.

Subject: S. 1543, H. R. 3742 (Mustering-Out Pay)

Hon. EDWIN C. JOHNSON,
United States Senate.

DEAR SENATOR JOHNSON: Senator Reynolds asked me to submit my opinions on S. 1543 and the corresponding House bill, H. R. 3742, overing mustering-out pay for members of the Armed Forces. My thoughts are as follows:

1. I am in accord with the principle of providing mustering-out pay for men discharged from the armed services except those dishonorably discharged.

2. I believe the amount set, of \$300, to be as nearly the proper sum as can be determined by judgment of the situation.

3. I believe section 2 of H. R. 3742, providing a sliding-scale of pay below the \$300 sum for men with short terms of service, to be more equitable than the uniform sum regardless of length of service.

4. I would submit for consideration the following amendments to the bills, which affect only method and time of payment and not the amount or the principle:

(a) That no part of the mustering-out pay be paid at the point of discharge but that all payments be made after the veteran reaches the destination from which he is seeking a job or his permanent home.

It is important that this money be actually available to the veteran when he arrives home for meeting the costs of reinstating himself in civilian status. There are, as we all know, considerable chances that precisely those men with the smallest financial reserves are the ones most apt to arrive home having already expended a substantial portion of any cash received at camp for purposes other than re-establishing themselves in civil life.

Secondly, men in the armed forces during a time of war have an entirely different estimate of relative values than the same men have in civil life. They could not fight a battle otherwise. It takes at least a few weeks back in a civilian economy to restore them to their civilian estimate of values. Therefore, many men would expend funds during the first few days after their discharge from the service for items and purposes that they would not think of using their funds for 2 or 3 weeks later. A veteran, therefore, should be given a reasonable chance to expend his funds according to his sober, considered judgment, rather than upon impulses during a very violent transition period.

All discharged men are furnished transportation home by the Government, and all of them have some final pay coming, so that all should have sufficient funds for their journey home without any necessity of using any part of the mustering-out pay for this purpose.

(b) I would recommend that the first payment of the mustering-out pay be by check sent to arrive at the man's destination about 15 days after his discharge. I recommend payments to follow the first to be made at 30-day intervals and to be made in the same manner.

(c) I would recommend that the checks be mailed to the post office in the town designated by the man, and in the case of large cities to the sub post office designated by him. That the check be delivered to him by the post office upon presentation of his military papers, identifying him, and that he fill out a receipt card and information as to whether he has a job or is in need of assistance in getting a job, together with any additional information that may be found

advisable. (The primary difficulty experienced in rendering service to veterans through the various Government agencies established for their benefit is to make contact with the man and ascertain his needs before he has gotten into difficulties. As prevention of hardship to the veterans is our primary objective rather than relief of hardship after it has occurred, this method of delivering the checks will go far toward insuring adequate service to the veteran when and as he needs it, without regimenting him.)

(d) For veterans currently being mustered out and those previously mustered out, I would recommend paying at this time only the first \$100 payment of the mustering-out pay, the two remaining payments of \$100 each for those entitled to this amount to be made at a later date, when general demobilization is in progress and when temporary unemployment situations due to the transformation from a war to a peace economy will make the full \$300 necessary for the men then being discharged, and when the men who have now been discharged will find the additional \$200 much more useful to them than it will be today. That the \$100 is adequate to meet current needs of men now being discharged is indicated by the reports of the American Red Cross and the Army Emergency Relief, which indicate that not over 5 percent of discharged veterans are being aided, and the average amount of aid is approximately \$43.

There might also be considered the fact that we already have a heavy pressure for inflation, due to the ever-widening gap between income and goods and services available to supply the demands, and the payment at this time of the additional \$200 not needed for reinstatement in civil life under current conditions would add another inflationary factor.

It would seem sounder to reserve this payment for the time when it will be more useful to the veteran and assist in stabilizing industry by maintaining consumption, rather than paying it now when its effect will be adverse.

Recently, a naval officer wrote, and I quote him:

"While on the subject of mustering-out pay, you realize of course that a lump-sum payment will be more than useless, a social evil. If they really want to help these men, why not just continue their present monthly salary (without allowances) for a period of 6 or 12 months. After all, these men have been living in an economic sanctuary, they must readjust to the problem of providing all of their needs from their salary, not just the pleasures of life as they have done while in the service. For a fact, we have paid men at this station well over a thousand dollars accumulated pay at the time of discharge, and we have had them back asking for help within a week. Specifically, one man discharged on Friday of last week was paid \$480. On Monday he applied to the Red Cross for railroad fare to his home, blew his roll in one grand sweep without leaving town. Others have been rolled for their money. This town is particularly good for that. It is a port and is accustomed to having men come ashore with accumulated pay. The local boys and girls are real experts in redistributing such wealth."

Sincerely yours,

LEWIS SANDERS,
Colonel, Field Artillery,
Chief, Recomployment Division.

(A report from the Administrator of Veterans' Affairs on S. 1543 follows:)

VETERANS' ADMINISTRATION,
Washington, December 13, 1943.

Hon. ROBERT R. REYNOLDS,

Chairman, Committee on Military Affairs,

United States Senate, Washington, D. C.

MY DEAR SENATOR REYNOLDS: Further reference is made to your letter dated November 29, 1943, requesting a report on S. 1543, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

The purpose of the bill is to provide that all members of the armed forces of the United States who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay. It is provided that mustering-out pay shall not be payable to any person who, at the time of discharge or release from active service, holds

either a temporary or permanent commission of any rank above captain in the Army or any equivalent rank in any of the other armed services or to any member of the armed forces who, at the time of discharge or release from active duty, is eligible for placement on the retired list. The amount of mustering-out pay is \$300, one hundred of which is payable at the time of separation from active service and \$200 payable in two consecutive monthly payments, except that in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments are suspended during the time such person has been selected for attendance at an approved educational institution. The reference to the Servicemen's Education and Training Act of 1943 apparently pertains to S. 1509, a bill to provide for the education and training of members of the armed forces and the merchant marine after their discharge or conclusion of service, and for other purposes, which is pending before the Committee on Education and Labor of the Senate. Because of the specific provision that \$100 will be payable immediately at the time of discharge, the question arises as to whether the payments to be suspended are the remaining \$200, despite the fact that the bill provides for suspension of all payments. The need for clarification of the bill in this regard is indicated. Members of the armed forces discharged or released from active service before enactment of the bill and otherwise entitled to mustering-out pay will receive the first installment one month after the date the bill is enacted. In case of the death of the veteran before receiving the full amount of the mustering-out pay, the amount which he would have received had he lived will be payable to his surviving widow; or, if no widow, to his minor children, if any; and if no surviving widow or minor children, then in equal shares to his surviving parents. No other person may receive mustering-out pay.

Members of the armed forces of the United States, as used in the bill, means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components. There is authorized to be appropriated such sums as are necessary to carry out the provisions of the act, which shall be administered by the Secretary of War and the Secretary of the Navy.

Several other bills have been introduced which would provide benefits for certain persons who served in the active military or naval forces on or after December 7, 1941, which are intended to bridge the economic gap between discharge and employment, although payments are not contingent upon unemployment, and notwithstanding that approximately 1,000,000 have been discharged from service since Pearl Harbor, most of whom, if able to work, apparently have had little difficulty in finding employment. The present bill, in common with several others, bears no relationship to the length or character of service, and provides the same benefit for those who were discharged after a few days of service in this country as is provided for those who served in combat for long periods of time in foreign countries. The bill provides pay for all below the ranks designated except those eligible for retirement. It does not take cognizance of the probable duplication of benefits under other laws providing benefits for honorably discharged veterans except to suspend payments of mustering-out pay during the time a veteran is in a certain type of training.

There seems to be general agreement that there should be legislation which will ease the transition from military to civil life, especially during and after demobilization. The thought is rather general, too, that the benefits provided should not be a lump sum, but should be available for a reasonable period of time, particularly if there be widespread unemployment. These principles, together with consistency and practicability of administrative operation, should form the basis of whatever legislation is favorably considered. In connection with various studies made by committees on which I have served heretofore, I expressed the view that for ease of administration the service departments should pay for the first 2 months after discharge the full service pay; for the next 2 months 75 percent of the said pay and for the succeeding 2 months 50 percent. The objections are—paying service pay to one not in the active service, and conversely retaining military control in a furlough or leave status for the purpose of avoiding the said objection.

I think any committee considering these bills will want to give careful thought to the cost involved. Several plans envisage total expenditures per person of from \$600 to \$1,000 or more; and while in some of the bills these amounts are reduced to the minimum of \$100 and a maximum of \$300, they contemplate other provisions or benefits such as 1 year or more of schooling for selected groups, unemployment insurance at Federal expense, and social-security coverage for the period in service with the so-called tax deduction therefor to be paid wholly out of Federal

funds, i. e., without contribution on the part of the person in service, and these several benefits may well average \$1,000 per person in service. It should be mentioned that none of the bills apparently takes into consideration the fact that demobilization may extend over a considerable period of time and no allowance is made for those separated from the service heretofore (more than 1,000,000 since Pearl Harbor, as above stated) nor for a large number who may remain in the service due to the continued needs of both the Army and the Navy. It is not believed there should be a pecuniary incentive to seek discharge any more than to avoid securing a job. Generally, no provision is made to prevent overlapping of so-called mustering-out pay and disability pensions. These service-disability pensions range from \$10 per month for a 10 percent disability to \$100 per month for a total disability, with statutory provisions, as for the loss of certain members, increasing the amounts to as high as \$250 per month. While the pension laws preclude the payment of pension while the veteran is in receipt of active service or retirement pay, these proposed benefits do not fall in either category.

In addition to the easily appreciated moral hazard inherent in providing payments in such amount in individual cases as to mitigate against a healthy desire to seek civil rehabilitation, there must be considered over-all cost as indicated above. If this should average \$1,000 per person the cost can scarcely be calculated at less than \$10,000,000,000 considering the number of persons which now are, or will be, in the active service. The cost of any of these proposals may readily be estimated. None would be less than an average of \$500 per person; hence, for 12,000,000 veterans this minimum would be \$6,000,000,000. While, for security reasons, current figures are not available to the Veterans' Administration, we did, some few years since, with the assistance of the War and Navy Departments, calculate that the average pay plus maintenance of those in service was \$77 per month. With the increase in the pay base made by Public Law 607, Seventy-seventh Congress (Pay Readjustment Act of 1942), plus the added cost of maintenance under war conditions the average of pay and allowances (not including family allowances) would doubtless exceed \$100 per person per month or over \$1,200 per year. For 10,000,000 veterans this would mean \$1,000,000,000 per month, or \$12,000,000,000 per year; which will afford a readily applied measure for calculating cost of any plan based upon so many months of pay.

I think the committee may well be interested in benefits now available for those serving in the present war. To detail them in this letter would require too great length; hence, there is enclosed a summary showing all such benefits. Therefrom, or rather from the table appended, it can be seen that there have been paid out by way of benefits to veterans of World War I, to date, something over \$15,000,000,000. Existing obligations in this connection to veterans of all wars and the peacetime or regular establishment will unquestionably equal \$1,000,000,000 annually for several years.

The question that must be faced in consideration of any of these bills, for one or more of these proposals, will be what additional necessary and desirable benefits should be extended to veterans as such and what is the most equitable basis, as well as the practicability of administering such benefits. Popular sentiment naturally and properly extends to those bearing the burden of the tremendous conflict, but a sound program is one which in the cold afterthought of paying the costs will appear just and equitable, and which will leave no just claims for equivalent treatment. Further, precedents as to benefits afforded veterans of prior wars will have a tremendous bearing, as has been shown by past as well as present experience. For example, the official program of the United Spanish War Veterans has always called for benefits identical to those extended to the veterans of the Civil War, and that of the several service organizations is that benefits to veterans of World War II shall be on a parity with those of World War I. There is the further principle that the service based benefit should bear some relationship by reason of the sacrifice of the service. This has been the basis of both service and disability pensions, as well as disability or death pensions. Again even the present high pay rates plus all allowances, including liberal income-tax exemptions, do not compare too favorably with the average labor earnings before the war, and less so as to wartime average labor pay scales (average, 1940, \$1,362; 1942, \$1,900; 1943, \$2,000).

Because of the cost involved and the large numbers of individuals affected and which, unless the plan be of the simplest possible nature, would involve tremendous administrative difficulties, I find it difficult to formulate any reasonable plan which would eliminate all of the possible objections. The bill (S. 1543) would be simple in operation, and would cost for 12,000,000 veterans \$3,600,000,000, plus the cost of administration.

The Veterans' Administration would have no responsibility under S. 1543, as its provisions would be administered by the Secretary of War and the Secretary of the Navy. For this reason it is assumed that your committee will desire the views of the War and Navy Departments on the proposed legislation.

Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this report to your committee.

Very truly yours,

FRANK T. HINES, *Administrator.*

BENEFITS PRESENTLY AFFORDED MEMBERS OF THE MILITARY FORCES OF THE UNITED STATES UNDER THE LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

1. Pensions (or, for Reserve officers and officers appointed in the Army of the United States, retirement pay).

2. Rehabilitation:

(a) Medical and hospital care, prosthetic appliances, and domiciliary care.
(b) Vocational rehabilitation.

3. Insurance:

(a) National Service Life Insurance.
(b) Government life (converted) insurance.
(c) Guarantee of premiums, commercial insurance.

(For ready reference there is a chart on page 2 showing total expenditures, and other data, respecting these benefits for veterans and their dependents of World War II, and comparable benefits for World War I, from 1918 to September 30, 1943.)

Veterans' Administration—Disbursements made for relief of World War II veterans and dependents December 1941 to Sept. 30, 1943

| | Disbursements | |
|---|-------------------------|-----------------------|
| | Total to Sept. 30, 1943 | During September 1943 |
| Pensions: | | |
| Veterans: | | |
| Service-connected | \$4,877,105.22 | \$879,257.04 |
| Retired reserve officers and enlisted men ¹ | 319,054.94 | 42,504.40 |
| Dependents | 6,234,856.96 | 882,443.96 |
| Total | 11,461,017.12 | 1,804,205.40 |
| National service life insurance: Cash payments made for death benefits disbursed from National service life insurance | 11,122,977.19 | 1,706,029.29 |
| Approximate cost of hospitalization and domiciliary care: World War II veterans | 5,142,043.76 | 840,947.90 |

¹ Retired Reserve officers included with Regular Establishment, living veterans prior to fiscal year 1943.

World War II veterans hospitalized or domiciled

Admissions to hospitals or domiciliary care, December 1941 through Oct. 31, 1943:

Type of patient:

| | | |
|--------------------------------|--------|---------|
| Hospital: | | |
| Tuberculosis | 4,685 | |
| Neuropsychiatric | 10,473 | |
| General | 15,602 | |
| Domiciliary care, October 1943 | | 57 |
| Total | | 130,760 |

Remaining under hospital or domiciliary care at end of October 1943:

Hospitalization:

| | |
|------------------|-------|
| Tuberculosis | 1,889 |
| Neuropsychiatric | 4,290 |
| General | 2,551 |

Domiciliary care end of October 1943

| | |
|-------|-------|
| Total | 8,730 |
|-------|-------|

¹ Includes 151 domiciliary admissions prior to October 1943.

Disbursements for relief of World War I veterans and dependents, 1918 to Sept. 30, 1943

| | Total to Sept. 30, 1943 | During Septem- ber 1943 |
|--|----------------------------|----------------------------|
| Direct benefits: | | |
| Compensation or pension: | | |
| Death: | | |
| Service-connected..... | \$841,559,870.02 | \$4,246,438.96 |
| Non-service-connected..... | 52,642,899.19 | 941,546.08 |
| Disability: | | |
| Service-connected..... | 3,592,943,710.88 | 13,520,272.09 |
| Emergency officers' retirement pay..... | 82,779,775.95 | 354,181.61 |
| Disability allowance or nonservice pensions..... | 387,068,184.99 | 3,134,503.29 |
| Adjusted-service certificates..... | 3,796,207,383.34 | 61,863.02 |
| Adjusted-service and dependent pay..... | 55,513,391.59 | 1 99.40 |
| Loans to veterans for transportation..... | 76,103.36 | |
| Insurance: | | |
| Term..... | 2,194,926,194.23 | 794,513.80 |
| Government life (converted)..... | 600,369,475.99 | 3,940,849.38 |
| Allotments and allowances..... | 582,932,979.02 | 1 255.17 |
| Vocational rehabilitation..... | 644,871,021.46 | |
| Total expenditures for direct benefits..... | 12,831,890,990.02 | 26,993,812.28 |
| Indirect benefits: | | |
| Grand total..... | 2,025,117,229.40 | 9,152,272.83 |
| | 14,857,008,219.42 | 36,146,085.09 |

¹ Credit.

² Operating cost of company officers, regimental officers, and hospitals, burials, transportation of beneficiaries, hospital construction, etc.

PENSIONS—DISABILITY PENSION—DEATH PENSION—RETIREMENT PAY

Pensions are payable for disability or death incurred in or due to active military service, in line of duty and not the result of the person's own misconduct.

Disability pension is payable to any person honorably discharged and is based upon the degree of disablement ranging from 10 to 100 percent, with payments based thereon ranging from \$10 to \$100 per month. For specific losses, as the loss of a hand or a foot, blindness, etc., additional amounts are payable, the highest rate being \$250 per month.

Retirement pay.—In lieu of such pension or compensation, Reserve officers called to active duty, and officers appointed in the Army of the United States, meeting the requirements of the Army Regulations pertaining to retirement of officers of the regular establishment are retired by the War Department, certified to the Veterans' Administration, and their retired pay equal to 75 percent of their base pay is paid by the Veterans' Administration out of the pension appropriation.

Death pension.—The death pension rates for widows and children were increased by Public Law No. 144, Seventy-eighth Congress, July 13, 1943. These rates for death in service or service connected death are as follows:

| | |
|---|------|
| Widow, no child..... | \$50 |
| Widow, 1 child..... | 65 |
| With \$13 for each additional child. | |
| No widow, but 1 child..... | 25 |
| No widow, but 2 children..... | 38 |
| With \$10 for each additional child, the total not to exceed \$100. | |
| Father or mother: | |
| Each..... | 25 |
| Or 1 only..... | 45 |

Claims and effective date of awards.—The effective date of an award of disability or death pension is generally the date the claim is received by the Veterans' Administration; but in the case of a disability claim filed within 1 year of discharge the pension may be awarded from discharge, and if a death claim is filed within 1 year from date of death, pension is payable from the date of death.

Except in cases of soldiers transferred by the Army to a Veterans' Administration facility, the applicant should file claim on proper form which will be supplied upon inquiry addressed to any Veterans' Administration facility or

regional office, or to the local representative of the American Red Cross or of a veterans service organization.

Claims of soldiers discharged for hospitalization.—Under interagency agreement when a person who is to be discharged from military service is in need of further hospital care, prior arrangements are made by the commanding officer to afford him opportunity to file all necessary claims, supply necessary clinical and service data and to send the veteran to the Veterans' Administration facility designated to receive him. (Cf. A. R. 615-360, change No. 4, April 16, 1943.) If the disabled person is insane or incompetent, the manager of the Veterans' Administration facility will file all necessary claims for him.

Upon death in service, the service department notifies the Veterans' Administration, and claims forms are sent immediately to all known dependents.

Groups potentially eligible for pensions.—All members of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Corps, and members of the Public Health Service or of the Coast and Geodetic Survey when ordered to active service with the Army or Navy.

The Women's Army Auxiliary Corps was not in the active service, and the several Women's Reserve Corps of the Navy, Marine Corps, and the Coast Guard are in the active service, they were by statute precluded from pension eligibility—in lieu thereof, being subject to laws pertaining to Employees' Compensation. Legislation has been enacted making the Women's Reserves of the Navy and Marine Corps components eligible potentially for pension benefits. (Public Law No. 183, 78th Cong., approved November 8, 1943.) The Women's Reserve of the Coast Guard are still subject to laws pertaining to employees' compensation, but legislation is pending to correct this inequality.

Awards to date.—As indicated by the chart on page 2, pension payments to veterans of World War II, or their dependents, total \$11,461,017.12 to September 30, 1943.

II. REHABILITATION

Rehabilitation essentially consists in physical, and in some cases mental repair, plus, in the case of those with handicaps arising from service disability, vocational training.

(a) *Medical and hospital care, prosthetic appliances, and domiciliary care.*

1. Persons entitled to medical treatment, hospital treatment, prosthetic appliances, and domiciliary care.—Any veteran of the present war, honorably discharged, for a service-connected disability requiring such care, treatment, or appliance, or one who was discharged for disability and not dishonorably. Also one not dishonorably discharged, who is unable to defray his expenses, has tuberculosis or a neuropsychiatric ailment or disability which requires hospital care.

2. Persons entitled to hospital or domiciliary care, contingent upon availability of facilities.—Any veteran of the present war, not honorably discharged, suffering from disability, disease, or defect, and who is in need of such care and is unable to defray the expenses therefor, regardless of whether the disability, disease, or defect was due to service.

3. Service groups included.—All components of the Army, Navy, Marine Corps, and the respective Women's Reserves thereof.

4. Facilities available.—The Veterans' Administration maintains 93 facilities and has contract facilities, with a total of 87,486 beds distributed as follows (as of December 2, 1943) :

| | |
|------------------------------|--------|
| Tuberculosis | 5,700 |
| Neuropsychiatric | 38,617 |
| General medical and surgical | 22,797 |
| Domiciliary | 17,464 |
| Contract, other governmental | 2,533 |
| State and private | 375 |
| Total | 87,486 |

Diagnostic centers, with expert specialists available are maintained at Hines, Chicago, Ill.; San Francisco, Calif., and Mount Alto, Washington, D. C. Cancer clinics: Bronx, N. Y.; Hines, Chicago, Ill.; Mount Alto, Washington, D. C.; Atlanta, Ga.; Portland, Oreg., and Los Angeles, Calif.

The present building program will raise this total to more than 100,000 beds. The Veterans' Administration anticipates an eventual need of 300,000 beds to enable veterans of World War II and of prior wars to receive hospital and domiciliary care to the same extent as is now provided. However, this estimated maximum should not be needed until long after the war or require the eventual additional construction of more than 100,000 beds, since there will be under present plans 100,000 beds in Veterans' Administration facilities and it is anticipated that it should be possible to obtain the same number from the Army and Navy shortly after the termination of the war.

5. Claims, and numbers hospitalized.—Any person who is to be discharged from active service and who is in need of and entitled to hospitalization by the Veterans' Administration, is transferred directly to the Veterans' Administration facility designated to receive him. Claim for all benefits, and necessary clinical and service data accompanying him, or are filed by the manager if the veteran is insane or incompetent.

All others should file claim for treatment or hospitalization directly with the nearest Veterans' Administration facility or regional office—one, or more, in each State in the Union except Delaware.

As shown by the chart, page 2, 30760 veterans of World War II have been hospitalized by the Veterans' Administration to October 31, 1943, and 8,730 remained in Veterans' Administration facilities as of October 31, 1943.

6. Domiciliary care.—While domiciliary care cannot be said to be a part of the rehabilitation process, it is a valuable benefit for those who have reached a permanent state of disability and have no other means of support.

(b) *Vocational rehabilitation.*

1. Entitlement and scope of program.—Public Law No. 16, Seventy-eighth Congress, approved by the President March 24, 1943, provides:

(1) That any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war,

(2) And who was honorably discharged,

(3) And who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration or would be but for the receipt of retirement pay;

(4) who is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement.

Immediately following the passage of that legislation there was created in the Veterans' Administration a Vocational Rehabilitation Service composed of three divisions, namely, the Vocational Advisement Division, the Training Into Employment Division, and the Research Division. The planning and control functions created by the administration of this act are exercised in the central office of the Veterans' Administration. All operations, including determinations of need for training, vocational advisement, induction into training, supervision, as well as the selection of training facilities, are functions of the Vocational Rehabilitation Division in that facility of the Veterans' Administration having jurisdiction of the territory in which the veteran resides. There are 53 such facilities. These facilities are, generally speaking, bound by State boundary lines. In a few States there is more than one facility. The course of training prescribed by the Administrator of Veterans' Affairs to fit the veteran for employment may not exceed 4 years and may not extend beyond 6 years after the termination of the present war.

"The purpose of rehabilitation is to restore employability lost by virtue of a handicap due to service-incurred disability." In performing the functions imposed upon this administration by Public Law No. 16, it will be the purpose of the Veterans' Administration to utilize educational institutions and establishments of recognized standing in the training of these disabled veterans into employment and to train each person as near his home as may be possible. In securing employment, a problem which obviously will be very great after the end of the war and perhaps acute after demobilization has been accomplished, every available Federal and State facility will be utilized. Employment of veterans has been satisfactorily accomplished through the United States Employment Service. It will be the purpose to correlate these activities to the end that those vocationally trained will be graduated into employment opportunities.

2. Monetary benefits while in training.—While the disabled veteran is in training his pension, unless it equals or exceeds such amounts, will be increased to \$80

per month, if single; \$90 per month, if married, with \$5 additional for each child, and \$10 for each dependent parent. All expenses of training, including necessary transportation, are paid. Medical care is given as required.

3. *Service groups potentially entitled.*—All persons presently in the Army, Navy, Marine Corps, and Coast Guard, including the Women's Army Corps are potentially entitled to this benefit. The Women's Reserve of the Navy and Marine Corps are included for this benefit since the approval of Public Law No. 183, Seventy-eighth Congress, approved November 8, 1943. There is legislation pending in the Congress which would include for entitlement the Women's Reserve of the Coast Guard, not now entitled because of the fact that they are not, under existing statutes, entitled to pension.

4. *Applications and approval of training.*—The program has been initiated and applications for vocational rehabilitation are being received from those who have been discharged from the armed forces. It will be observed that entitlement is contingent upon an award of pension or retirement pay. Those persons discharged from the service directly to the Veterans' Administration facilities for hospitalization will have their claims filed and processed; and the question of need for and entitlement to vocational rehabilitation may be given consideration as soon as the individual's physical and mental condition make training feasible. Any other person honorably discharged from the service may make claim for vocational rehabilitation in the claim for pension which may be filed at the nearest Veterans' Administration facility or regional office.

III. INSURANCE

(a) *National Service Life Insurance.*

1. *Persons eligible for insurance.*—Any man or woman in the active service of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Reserve and the Women's Reserve of the Navy, Marine Corps, or Coast Guard may apply for not less than \$1,000 and not more than \$10,000 national service life insurance, without physical examination prior to the expiration of 120 days from entrance into active service. Thereafter, any such person may apply, if application be accompanied by acceptable evidence of good health.

2. *Applications, payment of premiums, and issuance of policies.*—Application forms are supplied the service departments, and may be obtained from the commanding officer or designated insurance officer. The applicant may elect to pay premiums in cash, or by allotment of pay. Policies are not issued during the war, but insurance certificate is mailed to the address designated by applicant.

3. *Coverage, and types of policies.*—The insurance is against death only, but includes waiver of premiums during total disability existing for more than 6 months, and commencing prior to insured's sixtieth birthday. The policy is a 5-year level premium term policy with rate based upon the American Experience Table of Mortality and 3 percent interest—the Government assuming the extra hazard of the military and naval service and the administrative expense. The insurance is payable only to a widow (widower), child (including a stepchild or illegitimate child, if designated by the insured), parent (including person in loco parentis), brother and sister of the insured; and is payable only in monthly installments. The insured may change the beneficiary designation at any time.

4. *Conversion.*—After the policy has been in effect for at least 1 year, while in force it may be converted to an ordinary life, 20-payment life, or 30-payment life policy upon application to the Veterans' Administration without medical examination.

5. *Automatic (gratuitous) insurance.*—In cases where the person in service died or became totally disabled, or was captured or isolated by the enemy prior to April 20, 1942, and had less than \$5,000 insurance in effect, the law provides that gratuitous insurance to an aggregate of \$5,000 shall be deemed in effect. Claims for such gratuitous insurance should be filed as soon as possible because of limitations. In most of these death cases only a widow, child, or dependent parent can claim such insurance.

6. *Number of policies, amount of insurance, and payments.*—As of October 30, 1943, over 12,306,342 applications had been received, representing a total amount of nearly \$82,557,524,500 of insurance. The average policy is approximately \$7,115; the average coverage per life approximately \$8,000.

The insurance is payable in the event of the death of the insured while the policy is in force to a beneficiary or beneficiaries which may be designated by the insured only within the relationship of widow or widower, child, parent,

brother, or sister. The proceeds of the policy are payable as an annuity in 240 equal monthly installments of \$5.51 for each \$1,000 of insurance to any beneficiary who is under 30 years of age at the time of the death of the insured; otherwise, in continuous monthly installments throughout the lifetime of the beneficiary, with a guaranty of the payment of 120 monthly installments to the surviving relatives of the insured who are within the permitted class of beneficiaries. The amount of the monthly installment under the latter mode of payment is dependent upon the age of the beneficiary at date of death of insured.

For example, if the beneficiary is then 40 years old, monthly installment is \$4.50 for each \$1,000 of insurance; if 50, \$5.39; if 60, \$6.81; if 70, \$8.51.

The beneficiary would receive under a policy of \$5,000 or \$10,000, for example, monthly payments, beginning at the stated ages, in the following amounts: \$27.55-\$55.10; \$22.50-\$45; \$26.95-\$53.90; \$34.05-\$68.10; and \$42.55-\$85.10.

NOTE—All claims for insurance benefits should be addressed to the Veterans' Administration, Washington, D. C., but necessary forms may be received from the nearest Veterans' Administration facility.

(b) *Government (converted) insurance.*

This insurance can be applied for only by those who served in World War I. No one may have more than \$10,000 national service life insurance and Government (converted) insurance combined.

(c) *Insurance premiums guaranteed by Government under Soldiers and Sailors Relief Act, amendment of 1942.*

Any person in the active service having a commercial life policy or policies meeting the requirements of said act, article IV, may, upon application to the Veterans' Administration on form supplied the Army and Navy, secure guaranty of premiums, on amount of insurance not in excess of \$10,000, while he is in the service during the present war. The insurance premiums so guaranteed by the Government constitute a lien against the policy and must be paid by the company out of any settlement thereof. In the event of the insured's discharge from service, he has a period of 2 years within which to pay the premiums with interest so guaranteed, or otherwise such indebtedness constitutes a loan on the policy with interest, and if the amount of such indebtedness exceeds the cash surrender value, the policy is automatically canceled and the Government pays the insurer the difference between such cash surrender value and the indebtedness. Forms for making application for such insurance protection are supplied to the War and Navy Departments and may be secured in person or from his commanding officer or other designated official.

As of September 30, 1943, 61,108 applications with insurance totaling \$148,343,247.70 have been approved and premiums guaranteed.

IV. GUARDIANSHIP

Supervision is maintained, in cooperation with the State courts, over payments of any benefits made on account of insane or minor beneficiaries to insure proper application of such benefits.

V. VETERAN'S BENEFITS UNDER OTHER LAWS

Allotments and allowances—War and Navy Departments.

Domiciliary care:

United States Soldiers' Home, War Department.

Naval Home, Navy Department.

(This is in addition to that provided by the Veterans' Administration.)

Employment:

Return to job after discharge—Selective Service.

Placing in other jobs—War Manpower Commission.

Veterans preference—United States Civil Service Commission.

Job-training rehabilitation (nonservice disability)—Federal Security.

(The Veterans' Administration cooperates fully in all these functions.)

Insurance:

Old-age and survivors—Social Security.

Unemployment—Social Security.

Retirement—Railroad Retirement Board.

Retirement pay—Army, Navy, Marine Corps, and Coast Guard.

(For officers and enlisted personnel of the Regular Establishment, and Reserve components of Navy, Marine Corps, and Coast Guard.)
Taxes—Bureau of Internal Revenue.

(All veteran benefits under laws administered by the Veterans' Administration are exempt from all taxation.)

The foregoing outlines in brief form the benefits available to those serving during the present war and their dependents. Monetary benefits to veterans and dependents based upon wartime service-connected disabilities are the same for all wars and for those where disabilities resulted from service during peacetime which was extra hazardous, including service under conditions simulating war. Rates of pension for service-connected disabilities incurred or aggravated in peacetime service are approximately 75 percent of wartime rates. Veterans of all wars are entitled to hospitalization and domiciliary care based upon service-connected or nonservice-connected disabilities, and peacetime veterans, if discharged for disability incurred in line of duty or if in receipt of pension for service-connected disability. Service pensions have been provided for veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection and their widows and children. Pension of \$40 monthly is afforded veterans of World War I who are permanently and totally disabled, subject to an income limitation. Compensation has been provided for widows and children of deceased veterans of World War I whose deaths were not service-connected but who at time of death had a service-connected disability. Yearly renewable term, automatic and United States Government life insurance were made available for World War I veterans and until the enactment of the National Service Life Insurance Act of October 8, 1940, United States Government life insurance was available to persons in the active service in peacetime. Since that date national service life insurance has been available during active service.

X

78TH CONGRESS
1ST SESSION

H. R. 3799

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 7, 1943

Mr. MAY introduced the following bill; which was referred to the Committee on Military Affairs

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That all members of the armed forces of the United States,
4 who shall have been in active service during the present war
5 and who shall have been discharged or relieved from active
6 duty under other than dishonorable conditions after Decem-
7 ber 7, 1941, shall be eligible to receive mustering-out pay:
8 *Provided*, That mustering-out pay shall not be payable to
9 any person who, at the time of discharge or relief from
10 active service, holds a commission, either permanent or
11 temporary, of any rank above captain in the Army, or of

1 any equivalent rank in any of the other armed services:
2 *Provided further*, That mustering-out pay shall not be pay-
3 able to members of the armed forces who, at the time of
4 discharge or relief from active duty, shall be eligible for
5 placement on the retired list.

6 SEC. 2. Mustering-out pay, for persons eligible under
7 section 1, shall be in the sum of \$300. \$100 of mustering-
8 out pay shall be paid to all eligible persons at the time of
9 discharge or relief from active duty. The remaining amount
10 of mustering-out pay shall be paid in two consecutive
11 monthly installments: *Provided*, That, in the case of persons
12 selected for training under the Servicemen's Education and
13 Training Act of 1943, all payments under this Act shall
14 be suspended during the time that such person has been
15 selected for attendance at an approved educational institution.

16 SEC. 3. Members of the armed forces entitled to muster-
17 ing-out pay who shall have been discharged or relieved from
18 active duty under other than dishonorable conditions before
19 the effective date of this Act shall receive the first install-
20 ment of their mustering-out pay one month after the effective
21 date of this Act.

22 SEC. 4. If any member of the armed forces, after his
23 discharge or relief from active duty, shall die before receiv-
24 ing the full amount of the mustering-out pay payable to
25 such person, the amount which he would have received had

1 he lived shall be payable to his surviving widow, if any;
2 and if he shall leave no surviving widow, then in equal shares
3 to his minor children, if any; and if he shall leave no surviv-
4 ing widow or minor children, then in equal shares to his sur-
5 viving parents, if any: *Provided*, That no payments under
6 this Act shall be made to any other person.

7 SEC. 5. The term "member of the armed forces of the
8 United States" as used herein means any member of the
9 Army of the United States, the United States Navy, the
10 United States Marine Corps, the United States Coast Guard,
11 or any of their respective components.

12 SEC. 6. There are hereby authorized to be appropriated
13 such sums as may be necessary to carry out the provisions
14 of this Act. The Secretary of War and the Secretary of
15 the Navy shall administer this Act within their respective
16 services.

17 SEC. 7. This Act may be cited as "The Mustering-Out
18 Pay Act of 1943."

78TH CONGRESS
1st Session

H. R. 3799

To provide for payment of mustering-out pay
to members of the armed forces, and for
other purposes.

By Mr. May

DECEMBER 7, 1948

Referred to the Committee on Military Affairs

MUSTERING-OUT PAY

HEARINGS
BEFORE THE
COMMITTEE ON MILITARY AFFAIRS
HOUSE OF REPRESENTATIVES
SEVENTY-EIGHTH CONGRESS
FIRST SESSION
ON
H. R. 3742 and H. R. 3799

BILLS TO PROVIDE FOR PAYMENT OF MUSTERING-OUT
PAY TO MEMBERS OF THE ARMED FORCES,
AND FOR OTHER PURPOSES

DECEMBER 8, 9, AND 10, 1943

Printed for the use of the Committee on Military Affairs



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MUSTERING-OUT PAY

WEDNESDAY, DECEMBER 8, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The committee met at 10 a. m., pursuant to call, Hon. Andrew J. May (chairman) presiding.

The CHAIRMAN. The committee will please come to order.

Gentlemen of the committee, I have called this meeting for the consideration of H. R. 3742 and H. R. 3799, both relating to the subject of providing for payment of mustering-out pay to the members of the armed forces, and for other purposes. The bills are as follows:

[H. R. 3742, 78th Cong., 1st sess.]

A BILL To provide for payment of mustering-out pay to members of the armed forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay: Provided, That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services: Provided further, That mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list.

SEC. 2. Mustering-out pay for persons who shall have been in active service during the present war for 6 months or more, shall be in the sum of \$300; mustering-out pay, for persons who shall have been in active service during the present war for less than 6 months but for more than 4 months, shall be in the sum of \$200; mustering-out pay, for persons who shall have been in active service during the present war for less than 4 months, shall be in the sum of \$100. One hundred dollars of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount, if any, of mustering-out pay shall be paid in two monthly installments: *Provided*, That, in the case of persons selected for training under the "Servicemen's Education and Training Act of 1943," all payments under this act shall be suspended during the time that such person has been selected for attendance at an approved educational institution: *Provided further*, That no person shall be entitled to receive mustering-out pay in excess of \$300 under the provisions of this act.

SEC. 3. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this act shall receive the first installment or lump-sum payment, whichever may be applicable, of their mustering-out pay 1 month after the effective date of this act.

SEC. 4. If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of the muster-out pay

payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any, and if he shall leave no surviving widow, then in equal shares to his minor children, if any, and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided further*, That no payments under this act shall be made to any other person.

SEC. 5. The term "member of the armed forces of the United States" as used herein means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

SEC. 6. This act may be cited as "The Muster-Out Pay Act of 1943."

[H. R. 3799, 78th Cong., 1st sess.]

A BILL To provide for payment of mustering-out pay to members of the armed forces, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay: *Provided*, That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services: *Provided further*, That mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list.

SEC. 2. Mustering-out pay, for persons eligible under section 1, shall be in the sum of \$300. \$100 of mustering-out pay shall be paid to all eligible persons at the time of discharge or relief from active duty. The remaining amount of mustering-out pay shall be paid in two consecutive monthly installments: *Provided*, That, in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments under this Act shall be suspended during the time that such person has been selected for attendance at an approved educational institution.

SEC. 3. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this Act shall receive the first installment of their mustering-out pay one month after the effective date of this Act.

SEC. 4. If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of the mustering-out pay payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any; and if he shall leave no surviving widow, then in equal shares to his minor children, if any; and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

SEC. 5. The term "member of the armed forces of the United States" as used herein means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. The Secretary of War and the Secretary of the Navy shall administer this Act within their respective services.

SEC. 7. This Act may be cited as "The Mustering-Out Pay Act of 1943."

The CHAIRMAN. The gentlemen of the committee will recall that on November 23, 1943, the President sent to the Congress a message recommending that Congress enact legislation to provide for the relief of men discharged from the armed services in the present war and for post-war benefits to all veterans and to members of the armed forces of the United States. A bill, H. R. 3742, was sent to me

from the White House, as I understand it, providing for a maximum sum of \$300 to be paid to members of the armed forces who have been discharged since December 7, 1941, but placing payments on a graduated scale of \$100 for one who has been in the service less than 4 months; \$200 for one who has been in service for less than 6 months but for more than 4 months; and \$300 for one who has been in service for 6 months or more.

The other bill, H. R. 3799, provides for a flat sum of \$300 for all members of the armed forces, and of the different services, without regard to length of service, whether they were discharged after 30 days, before 30 days, or after any other length of time.

We have several witnesses this morning, and I should like to expedite this legislation just as rapidly as is consistent with proper procedure. We have here General Hines and officers representing the Army and the Navy, as I understand it. We have also some gentlemen who represent veterans' organizations. In order to accommodate the gentlemen who have to leave, as I understand it—one of them, at least—I have decided to call two witnesses representing veterans' organizations, with the understanding that they will take a very brief time in which to be heard.

Is Mr. Millard Rice in the room?

Mr. RICE. Yes, Mr. Chairman.

The CHAIRMAN. Are you prepared to make a statement about this matter?

Mr. RICE. Yes, sir.

The CHAIRMAN. Will you come forward, please, and tell us what you think of these bills?

**STATEMENT OF MILLARD W. RICE, NATIONAL SERVICE DIRECTOR,
DISABLED AMERICAN VETERANS, WASHINGTON, D. C.**

Mr. RICE. Mr. Chairman and gentlemen of the committee, my name is Millard W. Rice. I am national service director of the Disabled American Veterans, which, incidentally, is an organization composed exclusively of American citizens who were gassed, wounded, injured, or disabled while serving actively in the armed forces of the United States or some country allied with the United States during a time of war.

The Disabled American Veterans, having observed the sad experience of many men who were discharged following World War I, believe that better provisions should be made for the veterans of this war at the time of their discharge. Therefore, we are highly in favor of the idea of a liberal mustering-out pay, such as would be provided for by the terms of H. R. 3799, which we believe to be a bill preferable to H. R. 3742, also before the committee. H. R. 3799 is, as I understand it, a companion bill to S. 1543, introduced by Senator Barkley, and would embrace the suggestion made by the President several weeks ago for mustering-out pay.

Mustering-out pay in the sum of \$300, \$100 to be paid at the time of discharge and two \$100 installments to be paid in succeeding months, would in effect take the place of the so-called \$60 mustering-out pay that was provided for veterans discharged from World War I and is, we believe, more in line with the actual needs of these men at the time of discharge. However, I may state on behalf of our

organization, at least, that we would not regard the proposed \$300 mustering-out pay, provided for in this bill, as a discharge of all the obligations that the Federal Government might have to these discharged, ex-service men.

The CHAIRMAN. In other words, what you mean by that is that even though this is allowed, you expect a future claim for a soldiers' bonus?

Mr. RICE. We do not want to close the door on the possibility that there may be adjusted compensation due these men; also, that there might be unemployment-compensation benefits that would be provided for them; graduated old-age insurance benefits that would come to them; and also that there might possibly be a modification to permit a 3-month furlough, such as would be provided for in a bill that Congressman Brooks proposes to introduce today, immediately preceding their discharge, so as to enable them to make arrangements ahead of time for their readjustment when going back into civilian life.

I merely make the statement, Congressmen, that although we are highly in favor of the provisions of this bill, we do not believe that it discharges all the responsibility that the Federal Government may have to its discharged ex-servicemen. Subject to that qualification, we heartily endorse the provisions of this bill.

The CHAIRMAN. Thank you very much.

Mr. COSTELLO. Does the gentleman think, in view of his last statement, that the amount in this bill is somewhat excessive, since following World War No. 1, only \$60 was paid?

Mr. RICE. One must remember that the cost of living has gone up; one must remember that economic and social conditions have considerably changed; and that \$60 was entirely too little. The sum of \$300 would appear to be just about right, because the average man will probably require 2 or 3 months, even if he does have a job waiting for him, before he will be prepared to go back on the job. I believe the sum of \$300 is approximately the right amount.

Mr. COSTELLO. The gentleman does not feel that this amount is intended to take care of his living costs in the interval between the time he comes out of the service until he finds employment?

Mr. RICE. It would certainly help.

Mr. COSTELLO. Do you not think that all that the mustering-out pay will be able to do is buy him some civilian clothes, and that that would be the first provision?

Mr. RICE. That would be the first provision.

Mr. COSTELLO. In other words, if we were to provide him with payment while he was looking for employment, the payment would have to be on an entirely different basis from that of a lump-sum payment?

Mr. RICE. I would agree that it would be primarily to enable him to resume his position as a civilian, with proper civilian clothes, but it should not be regarded as what might be called adequate compensation benefits or unemployment benefits.

Mr. COSTELLO. At the time we were considering legislation during peacetime, I introduced legislation for mustering-out pay of \$60 to meet peacetime mustering-out needs. I again introduced a bill this year, but I do not think that I could have made it provide for more than \$60.

Mr. RICE. But even that would be a very, very small percentage compared with the total expenditures for war material at the present

time; and I believe that proper adjustments for the human aftermath of war is entirely proper as a Federal expenditure.

Mr. COSTELLO. That is true; but this first payment is going to be only a small part of the full payment that is going to be due the veterans.

Mr. RICE. Agreed.

Mr. BROOKS. Mr. Rice, which do you think is preferable: to make this payment in a lump-sum of \$300 or to pay it in installments?

Mr. RICE. I believe that the method provided for in this bill—\$100 at the time of discharge plus two \$100 monthly installments—would be the preferable method, although I would not object to \$300 being paid to the veteran at the time of discharge.

Mr. BROOKS. The bill excepts those selected for training under the Servicemen's Education and Training Act of 1943. Do you want to say anything about that?

Mr. RICE. Personally I do not think there should be that exception, because it seems to me that any man who is discharged from the service ought to have mustering-out pay provided for, because, generally speaking, determination as to whether or not he will be entitled to such training will be made subsequent to his discharge.

Mr. BROOKS. You would put it on the basis of money earned by virtue of prior service?

Mr. RICE. That is right.

Mr. STEWART. Do you not think it should be discretionary with a man with a family before he is mustered out whether he will draw this pay in the full amount?

Mr. RICE. I think you would complicate administration and the cost of administration of the bill if you so provided. I would not object to it, but I think you would very much increase the cost of administration of the bill by so providing.

Mr. STEWART. A man who had a family or a home would really need all the money he could get his hands on at the time.

Mr. RICE. That is right. It would simplify the administration of the whole thing if you provided for the whole thing to be paid to him at the time of discharge, thus obviating the necessity for two additional payments, and also reducing administrative costs proportionately.

The CHAIRMAN. Mr. Rice, do you make any distinction between a man who has been in the Army less than 30 days and is discharged for some reason—

Mr. RICE. Not as to mustering-out pay.

The CHAIRMAN. Just a moment.

Mr. RICE. Pardon me.

The CHAIRMAN (continuing). And a man who has been in combat for 18 months in Africa and Italy?

Mr. RICE. As to mustering-out pay, I would not; but as to adjusted compensation, I most certainly would.

The CHAIRMAN. In other words, you would treat this merely as a gift to the veteran, regardless of whether he has been paid \$50 a month during the month or 2 months that he has been in the service? You would give him \$300 just as you would give it to the man who has fought for 10 months in Africa and Italy?

Mr. RICE. Yes; but I would provide for adjusted compensation for the man who has served longer, and I would provide a differential for those who served overseas, just as was done as to adjusted

compensation following World War I. I would provide for that promptly after discharge.

The CHAIRMAN. Suppose there were a million men already discharged from the service?

Mr. RICE. I would provide mustering-out pay for them also, the same as you have done in this bill.

Mr. STEWART. If they had not had active service before December 7, 1941—

Mr. RICE. Or, no; I would provide mustering-out pay to only those in the service who have been discharged since December 7, 1941.

Mr. HARNESS. What is the basis for your statement that you think a man who served only 30 days in the Army should be paid \$300, the same as a man who served 18 months in combat?

Mr. RICE. Following somewhat the precedent established during the First World War; that if a man served only 1 day, he was entitled to \$60 mustering-out pay.

Mr. HARNESS. Do you think that is sound?

Mr. RICE. Yes, I do; because if a man disturbs his civilian life by going to camp for even 1 day, he may have to break up his business or sell it out. He may have incurred actual damages that amount to considerably more than the \$300 he may receive. He has changed his entire life once he has been called into the Army.

Mr. HARNESS. Have you made an investigation to determine what percentage of these men might have disturbed their business or civilian economy or occupations to such an extent that they would be entitled to \$300 for 1 month's service in the Army?

Mr. RICE. No; I have not made an investigation. I could only base that on the basis of an investigation. An investigation would be a very expensive thing to determine statistically, as it were; but I am persuaded by reason of the information that I have received from many who have gone into the service that it has completely changed their economic status and outlook from there on.

Mr. HARNESS. Thirty days has done that?

Mr. RICE. Even 1 day's service.

Mr. ARENDs. If a man goes back into civilian life within 30 days, he will surely be compensated by the increased pay he will receive in a war industry.

Mr. RICE. You certainly have a strong statement there. I do not know how to get around that one.

The CHAIRMAN. Suppose a man is inducted into the service, stays 20 days, and is discharged for some minor physical disability. Suppose he has \$25,000 to his credit in a bank, and suppose he owns several farms. What are you going to do with him? Give him \$300?

Mr. RICE. Yes, sir.

The CHAIRMAN. Just the same as you would to a man with very few assets?

Mr. RICE. I mean if you attempt to make this thing absolutely equitable all the way through, there will be no end to the process of adjudication in determining precisely what each man should have on the basis of his respective damages. It would be impossible to administer such a law as that.

The CHAIRMAN. Are there any other questions? If not, we thank you, Mr. Rice.

STATEMENT OF OMAR B. KETCHUM, LEGISLATIVE REPRESENTATIVE, VETERANS OF FOREIGN WARS OF THE UNITED STATES, WASHINGTON, D. C.

The CHAIRMAN. Mr. Ketchum, we shall be pleased to hear from you.

Mr. KETCHUM. Mr. Chairman and gentlemen of the committee, my name is Omar B. Ketchum. I am legislative representative of the Veterans of Foreign Wars of the United States. I appear here this morning probably like most of the witnesses—rather surprised at the suddenness of this hearing. As a matter of fact, I had made plans to leave town today, and I had to rush over here to do my bit.

I represent, as most of you know, the Veterans of Foreign Wars of the United States, an organization comprised of men who have served on foreign soil or in hostile waters in the armed forces of the United States. This organization not only embraces men who have served in the past, but also men who are serving in the armed forces today. I might say to the committee that more than 125,000 of the men who are now serving overseas in the armed forces are actual, paid-up, bona fide members of the Veterans of Foreign Wars.

We believe that we have an interest in this particular matter. As a matter of fact, I should like to advise the committee that we have already been cognizant of the problem involved, the matter of mustering-out pay, and that more than a year and a half ago we caused to be introduced in this Congress—and the bill is now pending before this committee—a bill identified as H. R. 923, which would provide for a continuation of pay for a period of 6 months after hostilities had ceased and the demobilization had begun.

The CHAIRMAN. Tell us about the two bills pending before us now.

Mr. KETCHUM. I wanted to tell you first of our interest in this.

The CHAIRMAN. We know what your interest is.

Mr. HARNESS. I am interested, Mr. Chairman, in hearing what the gentleman has to say.

Mr. KETCHUM. I might say that that bill was introduced by a former distinguished Member of this Congress who is now serving in the Pacific, the Honorable James E. Van Zandt, who for many years has taken an outstanding interest in the activities of the veterans of the United States before Congress. The bill would provide, after discharge and demobilization, 6 months' continuation of pay. It would not provide, of course, for anything to those who had been discharged prior to the termination of hostilities. You might think we are not concerned, then, with the affairs of the men who are being discharged prior to the close of hostilities. The reason why we do that is that we feel that most of the men who would be discharged after the close of hostilities would have to go back into civilian life in a period of economic readjustment, when there would be a lot of competition, and it would take a considerable time for them to become readjusted. For that reason we feel that their pay should be continued for a period of 6 months, within certain limitations, and not to exceed \$200 a month to any one person, regardless of the rank he might have held. We hoped that the committee would give some favorable consideration to that bill.

Now we come to the question of what might be called temporary compensation or mustering-out pay to those men who are being mustered out or, rather, discharged prior to the termination of hostilities.

I think the plan and the program are very good. The only question I raise is as to whether this is sufficient money; whether you are going to accept this proposition that you have in hand today as the only thing you are going to do for these men. Or are you going to come back later on and give them increased benefits? If this is going to be, let us say, the yardstick or the measure established by the Congress for all of these men now and after the war, I say it is not enough. It is not enough. If it is designed merely to take care of men who are now being discharged prior to the termination of hostilities, that is something else. Perhaps your figures are somewhat greater.

The reason why we never went into that in the beginning is that we felt that most of the men who are being discharged today are men who had service-connected disabilities and that they would be compensated later on for those disabilities and consequently would not have any need of mustering-out pay or continuation of pay, such as in the case of the other men, after the war. We have found, though, that due to the long interval between the time a man is discharged for disability and the time his claim is adjudicated and he is finally well and is paid all the benefits to which he is entitled, he may have suffered because of having no income. I think, therefore, that the Congress appreciates the fact that it is necessary that something be done to provide sustenance for these men from the time they are discharged to the time their claims have been adjudicated by the Veterans' Administration.

I favor the principle of the bill identified as H. R. 3742 rather than the principle involved in H. R. 3799. I should like to see the maximum amount in H. R. 3742 for 6 months' service increased to more than \$300. While I think that those who have served less than 90 days or less than 6 months, within a graduated scale, should be provided with mustering-out pay, I do not believe that just because a man was in the service 30 days he should be entitled to the same amount of consideration as the man who served 12 months, 6 months, or 18 months, or a man who has been in combat. I appreciate the statement made by my friend, Mr. Rice, to the effect that one going into the service for even 1 day must, of course, do certain things that may make it a little more difficult when he comes back. Yet I think one of the members pointed out the fact that because he does get back in a hurry, he is enabled to become adjusted more easily and will find job competition less severe now than he will after complete demobilization.

So I say to you this morning, Mr. Chairman, that I am heartily in favor of providing some relief for these men who are being discharged today because of disability. They are going to need—many of them—some income before their claims are finally adjudicated by the Veterans' Administration and determination made as to whether they do have compensation, vocational training, or hospitalization coming to them.

The CHAIRMAN. Will you allow me to interrupt you at this point?

Mr. KETCHUM. Certainly.

The CHAIRMAN. Are you familiar with what the Veterans' Administration, the Selective Service, and the other agencies and bureaus charged with the responsibility of these men are trying to do for them now?

Mr. KETCHUM. Well, I think so, Mr. May.

The CHAIRMAN. You understand, of course, that they are doing everything they can to facilitate relief for them as fast as they are discharged from the Army?

Mr. KETCHUM. Oh, yes; we understand that; but we do know that there is a delay that should be lessened considerably, Mr. May. We are familiar with these problems—probably as familiar with them as anyone else in the country, because we are dealing with them every day.

The CHAIRMAN. I concede that.

Mr. KETCHUM. We have pointed out ways in which they can lessen the delays between the time men are discharged and the time pay is received. We know that manpower is a problem. We know that the War Manpower Commission will give the Veterans' Administration an A-1 rating on manpower. Furthermore, the War Department should detail some of its officers to the Veterans' Administration. We know many things that will lessen the delay. We are very conversant with the problem, but we do know that sometimes several months elapse before a man's claim is adjudicated, and during that period of time, if he has no savings and has no income, he may have to appeal to charity; and there have been some cases enumerated to Congress of men who have lost their legs being forced to appeal to charity before their claims were finally adjudicated. I am not blaming the Veterans' Administration; they are doing a marvelous job.

The CHAIRMAN. Do you refer to the case of a man by the name of Lucas, about whom Mr. Ploeser spoke on the floor of the House?

Mr. KETCHUM. That is right.

The CHAIRMAN. Are you aware of the fact that that case was—

Mr. KETCHUM. I am not aware of that case; I said that a Member of Congress had developed the case.

The CHAIRMAN. Yes; I know about that. The committee was criticized very severely about it when, as a matter of fact, we did not have the memorandum; but General Hines wrote a letter saying that it was fixed up and provided for several days before that speech was made.

Mr. KETCHUM. I did not make the charge myself; I say that a Member of Congress made it. But we do know that there are some cases which have required from 2 to 3 months for adjudication, not because the Veterans' Administration did not want to adjudicate them, but because of the terrific load that has suddenly been thrown upon them because of the manpower shortage. I think they are tackling the problem as best they can; and with some help from Congress and the War Department, by giving some priority on manpower to permit them to increase personnel, they will be able to do this work. But in the meantime there should be something along the line of what you are developing here today.

Mr. BROOKS. What would you say with reference to furloughing these men for 90 days so as to speed up their cases?

Mr. KETCHUM. I would say that that would be reasonable, Mr. Brooks.

The CHAIRMAN. They would get only \$50 a month.

Mr. KETCHUM. That is true. They would not have food, clothing, and the other things they get as part of their compensation as members of the armed forces while on furlough.

Mr. BROOKS. Why not give them that?

Mr. KETCHUM. Well, you would have to increase, then, their furlough pay, because these privates receive \$50 a month, and I think the over-all basis of value is figured around \$1,750 or \$1,800; and

when you consider clothes, shelter, and medical attention, it is considerably more than \$50 a month.

Mr. HARNESS. Would not dependency allowances in a measure take care of that situation?

Mr. KETCHUM. That is right; you have hit it right on the nail.

Mr. BROOKS. That would give the Veterans' Administration 90 days in which to adjudicate the veteran's records, and he can go into the room with his veteran's claim and walk out with his compensation check in his pocket.

Mr. KETCHUM. That is right. We have also made recommendation that upon receipt of an application for compensation based on a certificate of disability discharge, the Veterans' Administration shall immediately grant temporary pension benefits, to continue until the claim has been adjudicated. We have also caused to be introduced legislation which would permit the Veterans' Administration to make loans to these men upon receipt of their applications until such time as the claims could be adjudicated, the said loans to be paid back out of the ratings finally given to the veterans. If a man is not given a rating, he will not pay the money back.

Mr. HARNESS. The thing you are discussing is only with reference to disabled veterans?

Mr. KETCHUM. That is right.

Mr. HARNESS. The man who is not disabled has no trouble getting a job.

Mr. KETCHUM. That is true. As a matter of fact, none are being discharged today except those who are disabled and those over 38; and those over 38 must have proof that they are going to jobs. So only the disabled are being discharged. I do not know the extent of their disability. Someone spoke about minor disabilities. I do not know how minor they should be to enable a man to be discharged from the Army. If it is only a minor disability, I should think that could be corrected.

The CHAIRMAN. What are the opportunities at this time for an able-bodied man discharged from the Army to obtain a job as compared with what they were at the end of the last war?

Mr. KETCHUM. Well, fortunately, I had a very small, dinky job to come back to. I would say the opportunities of those now being discharged are greater than they were for those who were discharged during World War I. The ones you have to worry about, in my opinion, are those who will be discharged after this war is over, when the millions begin to roll out, rather than a few hundred thousand now. That is what we are aiming to do now in the continuation of pay for 6 months, to agree to compensation of men being discharged today who may need something to tide them over until their claims have been adjudicated.

If this is going to be a final law to take care of all men now and after demobilization, then your amounts are not enough. If this is just a temporary proposition, to assist those who are coming out now, well, perhaps it is all right; but I do think it ought to be graduated.

The CHAIRMAN. You realize, of course, that this committee and even this Congress may not have to deal with the problem of what shall be done hereafter.

Mr. KETCHUM. I agree with that.

Mr. AHRENDs. You have suggested that this is temporary and that some adjusted compensation should follow. Do you think the amount of \$300 is just or sufficient as compared with the amount paid in the last war?

Mr. KETCHUM. Those of us who served in World War I did not feel that \$60 was enough. We are not selfish in this matter. If the Congress is willing to give these men \$300, we say, "Swell; O. K." But if it is going to apply to those who are discharged after the war is over, then I do not think it is a fair and reasonable offer. The continuation of pay ought to be for a period of more than 3 months; it ought to be for at least 6 months.

Mr. BROOKS. What would you set, then, as a maximum amount for a man who served 3 years—one who was mobilized before the war but under the emergency? What would you think would be a fair amount?

Mr. KETCHUM. As I say, it would be difficult for you to place it entirely upon the length of a man's services unless you had a sliding scale based upon the period of his service. I would say that you could set 6 months' service as a maximum to establish a maximum amount for them.

Mr. BROOKS. Do you mean \$600?

Mr. KETCHUM. In this bill here H. R. 3742, I would suggest that for those who have had six months' service the amount should be \$600, rather than the maximum of \$300; and then it should be graduated down to cover the lesser periods of service.

Mr. BROOKS. The lesser amount would really cover the inconvenience and expense that a man had incurred by having to buy new clothes.

Mr. KETCHUM. That is correct.

Mr. AHRENDs. Do I understand you to say that you advocate a \$600 payment to anyone who has served for a period longer than 6 months?

Mr. KETCHUM. In monthly payments; yes.

Mr. AHRENDs. Mustering-out pay plus the possibility of a bonus?

Mr. KETCHUM. No; we are getting confused again. That is, I fear this is to be not only for those who are being discharged today but also for those who will be discharged upon demobilization. That is the point I am worrying about—as to whether after Congress enacts a \$300 bill, will it then say, "This is mustering-out pay for everything"?

Mr. BROOKS. Assuming that this is purely mustering-out pay, what do you think of the bill as it is?

Mr. KETCHUM. Surely if this is mustering-out pay, gentlemen, I say to you that it is adequate; I am in favor of it. If it is just mustering-out pay, and you are going to consider the over-all problem in more than just this bill, you have something that is all right. But I do favor the principle—I want to make this clear—I favor the principle embodied in H. R. 3742 on the basis of the period of service within that category for mustering-out pay.

The CHAIRMAN. Are there any other questions? If not, we thank you, Mr. Ketchum.

STATEMENT OF BRIG. GEN. FRANK T. HINES, ADMINISTRATOR OF VETERANS' AFFAIRS, VETERANS ADMINISTRATION

The CHAIRMAN. General Hines, you have, I assume, studied the issue here?

General HINES. Mr. Chairman and ladies and gentlemen of the committee, I appreciate the opportunity of appearing not only on the bills that are before you, but also because I feel that I will be able, if time permits, to give the committee some information that will be helpful to you in not only deciding this question but probably some others that may arise in dealing with the men of World War II who are being discharged.

The CHAIRMAN. General, would you like to sit down?

General HINES. No; I prefer to stand, if that is agreeable to you.

The CHAIRMAN. Whatever is your pleasure.

General HINES. Some 21 bills have been introduced bearing upon this same problem. They differ in methods of approach and in amounts, and I have sent to the Bureau of the Budget one report to cover all of them. While I can read it to the committee, it is quite extensive, and I would prefer to talk about the important items in it and introduce the report into the record for your use.

The CHAIRMAN. All right. You may do that.

(The report referred to appears at the end of General Hines' statement.)

General HINES. The bill H. R. 3799 is the one to which I should like to speak, principally. I am sure that it is unnecessary for me to state to the committee the importance of what you do with this bill—that is, the bearing it will have not only upon meeting certain problems at this time, but probably the precedent it will set in dealing with the problem later on. It so happens that I served on the President's conference committee dealing with the problems of demobilization and post-war readjustment. As a member of that committee, I strongly advocated that demobilization take place orderly and not too rapidly, in order that the men in the Army could be fed into industry, and without burdening any community with a number of men unemployed at a time when that community was unable to absorb them. Based on that thought, and from the experience that we had following World War I, in which I took part in the demobilization problem, it seemed to me that the best way to approach this was to place these men on furlough. I advocated a furlough of 6 months, believing that that period would be certainly the shortest period of any readjustment that might be necessary; and I advocated that the men be placed on furlough and paid for the first 2 months, full pay; for the next 2 months, three-quarters pay; and for the last 2 months, half pay. We were thinking then not of the problem that is before the Congress and the country at this time; we were thinking of the demobilization of our armed forces. The committee did not go along with me. They recommended to the President 3 months at full pay. I am sure they were prompted in reaching that conclusion by the administrative difficulties which were reported to them by the representatives of the War and Navy Departments serving on that same committee. So there is in their report on demobilization, mustering-out pay, or whatever you wish to call it.

This bill, of course, contemplates, upon separation of those to be separated, payment of \$100 immediately upon discharge—and those who are now discharged would receive \$100 as promptly as it could be paid—another \$100 in 30 days, and a third \$100 in 60 days. Those men who come out with disabilities incurred in line of duty are, of course, entitled to pension, hospitalization, rehabilitation, and reemployment.

It is true that a large number of men have been discharged from the services. A small proportion of that number have been discharged for disabilities in line of duty. Not all of them have filed claims. It has been our endeavor—and when I say "our" I mean the War Department, the Navy Department, and the Veterans' Administration—to give every man an opportunity to file a claim. It even went so far that they were required—that if they did not file one they state that they did not wish to file one. That has been removed because of the feeling on the part of the men that they were waiving their rights. That was not the intention. It was more for the record, to make sure that they were advised. Up to this time we have relied upon the Red Cross to advise these men of their rights, and I have no doubt that with the magnitude of the load they have done a good job. Many men have been missed, but I would not want the committee to get the impression from what has been said in the press or in other places that a number of claims have not been adjudicated. I shall place in the record a little later a statement to that effect.

But, first, I shall speak to this bill. I think that we are all agreed, and the President has recommended to the Congress, that some form of mustering-out pay be given. In his message, I doubt very much whether the President gave thought to the numbers that had already been discharged. I doubt if that data was before him. But even if it were, the problem would be the same. However, whatever we do must be based upon two very sound principles.

First, are we going to recognize the length and character of service? I have always felt in dealing with this problem that we should recognize length and character of service in a gratuity of this kind. Now let us assume that every man who has been discharged has been discharged in line of duty. Sometimes they are discharged not in line of duty, and we find that their disability that existed before discharge was aggravated by their service, and we have paid them a pension. But, mind you, these allowances run from \$10 to \$250. I have here a statement, which I can very well give to the committee, that will indicate all those that we have now considered, and we have adjudicated a large number in all the categories they fall into.

I might say, if the committee is not already advised of the fact, that the severely injured have not been discharged. We hear about the number of battle casualties that have been discharged. The Army has not hurried those out of its hospitals. Some of them have been transferred to our hospitals, but few have been transferred to us. So the number of real battle casualties, those having wounds due to combat, who have been discharged is not great. Now, there have been many men discharged for injuries received in training, and so on. Many men have been killed outright, and their dependents are promptly taken care of. That is one thing we put first. But there is a need for the Army and the Navy protecting a discharged man with some allow-

ance on discharge, unless a man is discharged for disability, that gives him at least \$50 or more per month. I doubt if you could very well make a distinction in the group of men discharged for disabilities as to what disability pay you should give them. But I think that should be at a maximum of \$300, and it should be given at discharge.

Now, when the war is over and demobilization starts, the problem will be different from what it is now. I doubt if the committee would wish to try to look so far into the future to know whether you will or will not have a bonus bill. It would be my guess—and my guess would not be any better than anybody else's—that you will have those proposals, and that they will run for the same reason that the Congress that existed at the end of the other war had such proposals. Someone will discover that somebody in the United States got more money for working in industry than the soldiers got on the battlefield, and that is a pretty hard argument to meet. I have for consideration some proposals for adjusted compensation. We are now talking, however, of meeting the present situation.

I feel, Mr. Chairman, that H. R. 3799, with one or two minor amendments, will meet the situation, but I do urge you to take into account the character and length of service. While it is true that men who come out with disabilities incurred in line of duty—combat disabilities—will get more because they will be awarded pensions—and they will be here to advocate them—you have, mind you, some men who have been discharged who have had less than a month's service, many of them who have had less than a year's service, and many of them who have never been outside the continental limits of the United States.

Mr. HARNESS. Will you enumerate in the record some of those who have been discharged and the reasons therefor?

General HINES. Yes, I can do that; but I mentioned to the chairman that the information on the numbers discharged and the character of discharges is restricted information, as it comes to me from the War Department. I think the committee should have it, but I think the committee should receive it probably in executive session. I have the data; I can tell you.

The CHAIRMAN. In view of that statement, if it is restricted information and confidential as far as the War Department is concerned, and it was given to you in that capacity, I think it would be unfair to you and unfair to them to have it given in a public session; but this committee is entitled to it.

Mr. HARNESS. You were speaking of numbers?

General HINES. That is right.

Mr. HARNESS. Could you give us one or two illustrations of men who served 30 days or less who have been discharged and give the reasons for their discharge?

General HINES. Yes; I feel that I can give that.

Mr. HARNESS. Whether there was ineptitude or any physical disability that they had when they went in.

General HINES. This information came to me in the way the other did. This information which I have been seeking with a view to shortening the process between the time a man with a disability is discharged and the time we get the pension into his hands. But I am convinced from my investigation so far that that will not solve the problem that is being talked about, because many of these men will

have such a small rate of pension that it would not be effective in enticing them over until they got employment.

There is one thing I feel we should all keep in mind: that whatever we do, we should not put the incentive entirely upon the man in seeking a job when he gets out. The all-important thing in all this readjustment period, now and hereafter—the key to whether we get into another tailspin of a depression—is how well we solve the reemployment of men serving in this war and others who are serving in plants in the United States. That, I think, is fundamental.

Here are some data from one hospital. I will not identify the hospital. The total number of cases during the period that I am speaking of was 850. To that we added 115 WAC's, making 965.

Now, the causes for discharge were these: In the first group we had 411 discharged for psychoneurosis. We had 71 psychotic; 20 epileptics; and 8 with minor disabilities in the mental and nervous group; making a total in that group of 510. The others are divided up into organic diseases, peptic ulcers, various diseases of the ear and the eye, and diseases of the heart; and that total is 455.

Now, as to the amount of service these men had prior to being discharged—and discharged on certificates of disability, mind you—of the 965 there were 425 with 1 month or less; 59 with 1 to 2 months; 115 with 2 to 4 months; 114 with 4 to 6 months; 117 with 6 months to a year; 49 with a year to a year and a half; and 86 with more than a year and a half. Does that answer your question?

Mr. HARNESS. Yes, sir.

General HINES. Mr. Chairman, it is information of that kind that causes me to feel that you would not wish to pass a bill, even with these allowances, not taking into account the difference between the men, on matter whose fault it was as to whether they should have been taken in or not. They were taken in; there is an obligation. But suppose you said in this bill that those men with 90 days or less service would draw simply the \$100; that the other men, with longer service, would get the other two installments. I think that that would make a more sensible bill, one that would be received, I think, as a fair proposal on the part of those men who have already seen combat. Some of them are back in the United States. They will soon be discharged. Some of them, to the credit, I may say, are in employment now. I have some in the Veterans' Administration; I wish I had 4,000 more of them. We are trying to get as many as we can.

In order further to advise you on the problem that Mr. Ketchum mentioned the Veterans' Administration, with the cooperation of the War and Navy Departments, is making a test right now at Walter Reed Hospital with a view to shortening the period after discharge—or even if the man is discharged, from the time the Board, which is known as the C. D. D. Board, says this man cannot be rehabilitated and go back into service. We contemplate putting a rating board, or more rating boards than one, if necessary—whatever is necessary to do the job—right at the hospital or camp, because there are some disabilities you do not even need a rating table for and can be determined hurriedly by some of the men who are rating specialists. We know when a man has lost an arm or a leg, you have his pension determined even before discharge. I have asked the War Department to retain these men and let us rate them before they are discharged, but there

are some complications in that. The man himself frequently settles it by seeking to be discharged. Of course, they can hold him, but it is not a good thing to hold a man who has been in combat and who wants to get home to his wife or children or family. He is sent home. He wants to get there. If this experiment at Walter Reed Hospital, which is going on today, turns out to be a satisfactory solution so far as those discharged for disabilities in line of duty are concerned, the problem will be solved.

But I think you will still have to have some amount that that man would find useful to tide him over, even though he has a pension, between the time he gets home and the time he gets a job. I am satisfied today that the problem of finding a job, with the exception of the man who has some mental or nervous disability, is very, very easy. Some of them—I am sure that many of them—find jobs waiting for them when they get home. The men who are discharged such as those that I called the committee's attention to, who probably could not have been discovered when they went in, have difficulty probably in getting employment. They went into the Army, and they have difficulty afterward. Both industry and Government—and by Government I mean State governments, city governments, and the Federal Government—are anxious to help these men, and they will take anybody who can really do a job and do it reasonably correctly. So I would suggest certainly that we take into account the length and character of service.

I believe a lump sum is far better than any graduated scale because of the great difficulties in administration. The administrative problem in handling this will be a big one. By making it a definite lump-sum payable monthly, it will assist the Department in making the payments, and I am in accord with it, i. e., if you pay \$100 a month, the Addressograph plates can be made up with that amount in them for the checks, and they can be run off very frequently by putting in the names of those discharged. However, if you have to make any adjustments by paying other than the lump sum, it complicates the problem to the extent of the adjustments you make.

Mr. SHORT. General, do you think it wise to pay it in one lump sum?

General HINES. I do not; no, sir—that is, I am in favor of paying it in monthly installments—whatever the amount—spread over the period.

Mr. SHORT. You do not want these men to spend all their money on Saturday night?

General HINES. Well, some of them would not spend it on Saturday night; some would. I think also, as long as you have mentioned it, Congressman, that the service departments should give great consideration to the proposition of getting the men home before they get very much money in their possession. You know, many of these men are young men; many of them are single. As young men and single men they are going to spend money if they get to a place that looks attractive to them. So it would be better to furnish transportation in kind and get them back into their own communities before giving them their checks. I think it would be helpful to them and would be helpful in handling the whole problem.

Mr. BROOKS. Along that same line, the national council of the veterans' organizations recommended a 3-months' furlough preceding

discharge and, of course, preceding mustering-out pay, in order to permit men to get reoriented and get jobs and also to put in claims for compensation. What would you say along that line?

General HINES. Well, I am guided in my opinion, Congressman, a good deal by what has come to me from the service departments. They feel that keeping a man on active duty and then paying his allowance presents a question of legality, and there are certain complications. Undoubtedly it would cost the Government more to retain them in a furlough status in many respects than it would to discharge them and give them a \$300 allowance and whatever pension they are entitled to. The great majority of these men will not be entitled to pension, although they will be entitled to other benefits. They will be entitled to hospitalization. If they have disability, producing a handicap, they will, of course, be entitled to training. We have not been able to get many men into training simply because the competition in employment is so great that the men will not accept \$80 per month plus the allowance for their dependents when they can get pretty nearly that much per week by working in industry. Naturally they will take the latter. So I would favor a payment, on discharge, of what is a reasonable amount, and whatever else is added to that, and that it be paid monthly.

Mr. HARNESS. Did I understand you in the beginning to recommend that we should consider this as temporary legislation affecting only those who are being discharged now and that we should look forward to some additional legislation when the war ceases and a great many more are going to be discharged?

General HINES. Congressman, I believe that whatever you do now is meeting the problem before you. You cannot anticipate the situation that will occur when demobilization comes.

Mr. HARNESS. If we should adopt this legislation that is now pending before us at whatever figure you put in, do you think it might be subject to change when this load comes immediately following the cessation of hostilities?

General HINES. I think that is a far better way of putting it. I feel that the passage of this bill will not stop a demand for a bonus.

Mr. HARNESS. But when we determine upon some kind of readjustment pay for those who are discharged, do you think it really should apply not only to those who are discharged now but also to those who will be discharged when hostilities cease?

General HINES. Yes; I do. I think it should apply to both groups, and I feel that the situation, which has been fanned up somewhat with the men who are now out of service, should not cause you to pass legislation hurriedly unless it is based on sound grounds. In other words, I cannot conceive that we have any employment problem for any man who wishes to be employed at the present time.

Mr. HARNESS. We have before this committee today legislation to expedite the conversion of industry into peacetime production, and from what evidence I have heard and discussions I have had with men in industry, I think that anybody who thinks we can get back into peacetime production before 6 months is overly optimistic.

General HINES. I agree with you.

Mr. HARNESS. Having that in mind when we are discussing this kind of legislation, what we want to do is provide a period when

these men may readjust themselves and find jobs. If it is going to take industry 6 months to get into a position to employ men, we should contemplate that in this legislation, should we not?

General HINES. It would be wise to do it, but you will probably have to amend whatever you pass now after demobilization occurs. I do not believe the problem can be anticipated, and the recommendation which I made first was based upon some thought that you had that no period of less than 6 months would be sufficient for readjustment to occur.

Mr. HARNESS. You do not favor the furlough plan for a period of 6 months?

General HINES. I do favor the furlough plan, but the legislation proposed by the Administration does not contemplate the furlough plan.

Mr. HARNESS. You think, however, that it would be preferable to this?

General HINES. The furlough plan would be preferable.

The CHAIRMAN. Do you mean the furlough, General, at the existing Army pay of \$50 a month?

General HINES. That is right, or whatever the man is getting at that time.

Mr. HARNESS. As well as dependency allowances?

General HINES. As well as dependency allowances.

Mr. THOMAS. How long a furlough do you favor?

General HINES. I favor 6 months.

I should now like to say something about the cost of this proposition and the cost of anything of this kind. It really is a simple problem in arithmetic. Those who have been advocating from \$60 to \$1,000 or more in some of the bills have not, I am afraid, contemplated the cost. This measure will cost \$3,600,000,000 without any modification.

Mr. THOMAS. H. R. 3799?

General HINES. Yes; and also the companion bill in the Senate.

Mr. HARNESS. That is as much as we paid on the adjusted service certificates.

General HINES. Yes; it is a little more than we paid out on the last bonus for World War I.

Mr. ARENDs. Would you care to express how you feel about the matter of relationship between \$60 after the last war and \$300 now, assuming that we are going to have adjusted compensation?

General HINES. If I felt sure that we are going to be faced with adjusted compensation after the war—and I am rather convinced that we will—I would favor a smaller amount. But if you are going to furlough these men on their pay, and you count allowances, it will average about \$100 a month. So I have rather thought the amount stated in this bill, if you make the amendment that I have suggested, that no man will draw the full \$300 unless he has had more than 90 days' service, would be a fair amount, and that will change the cost of the bill.

Mr. DURHAM. Is that estimated on the basis of the discharge of soldiers and sailors, including the WAC's, WAVES, and the rest?

General HINES. Yes; that includes all. I took the definitions given in the bill, which includes them all.

There is another provision, and it was in the draft of the bill sent up with, I think, the President's message, that I think probably is going to cause trouble in administration. Whatever you do now, the simpler you make the provisions of the bill, the better it will be for the service departments and, I think, for all of us. That is the provision relating to the men who take advantage of legislation recommended by the President to give a year's college training or schooling. That is known as the Servicemen's Education and Training Act of 1943. That bill has not been passed. You cannot anticipate its provisions when it is finally approved, and I would suggest—and in doing so I should state to the committee that I am doing so even though it is in the draft of the bill sent up by the Administration—that it would only further complicate things and could be left out.

If necessary, when the other bill is passed, if you wish to tie them together, all right. But I am a great believer in these bills standing somewhat on their own feet. I would suggest that that provision be eliminated if you agree upon a bill of a definite amount.

Mr. Chairman, there is a lot in this report that I have not stated. It bears upon the average pay of the servicemen. It dwells somewhat on the allowances we have already made. All these tables can be in the record, but I would not wish to take up so much of your time to go into the details of them. However, I should like to give you a little data on what is being done right now for the men of World War No. 2.

The CHAIRMAN. Do you want to put that report in the record?

General HINES. Yes; the report is in the record. Whatever I give in the numbers that have been taken care of should be analyzed in the light of a statement issued by the Secretary of War as to the number of men who have been killed and wounded up to November 15. The Secretary of War released to the papers on December 3 a total of 94,918 casualties of which 14,321 were killed, 32,690 wounded, 24,490 missing, and 23,417 prisoners of war.

If you take that data and place it alongside what we have already adjudicated, you will see that the Veterans' Administration has made a good record. I would not want you to do that exactly, but I want you to feel that we are not permitting any red tape, and are taking advantage of short cuts in trying to take care of these men.

At the same time, the Navy made public a list. The Navy, of course, includes the Coast Guard and the Marine Corps. The Navy total was 32,051, of which 13,160 were killed, 5,740 wounded, 8,926 missing, and 4,225 prisoners.

From January 1942 up to the present time the Veterans' Administration has allowed 27,825 claims for disability and 16,283 for deaths. Those do not cover the insurance claims. I will give you that information in a moment.

The total number of claims filed up to date, including October, was 158,837 for disability, and during the month of October alone 27,245 claims were filed. Death claims filed totaled 38,101, and during the month of October there were 4,049.

We have disallowed 60,191 disability claims. A great portion of those were disallowed for these reasons: Because veteran's address could not be found, 150; claims withdrawn by the veteran, 831; dis-

ability not ratable, 391; discharges other than honorable, 500; existed prior to enlistment, 6; failure to cooperate—that means by not getting evidence which we needed—542; in receipt of retirement pay, 12; less than 10 percent disabled, 2,709; misconduct, 1,252; no active military service, 30; not a disability within the meaning of the law—that is, constitutional psychopath—2,257; not aggravated in service, 25,070; not incurred in service, 3,936; not incurred in service or aggravated in service, 22,463; still in the active military service, 30; and then we had a group of 12 that were classified as miscellaneous. The largest numbers are subject to review under the act of July 13, 1943, which liberalized the presumption of soundness.

Mr. BROOKS. Do you have any case where the service records were not complete and the medical records could not be completed?

General HINES. Yes; we have a great number of those, and the great delay, Congressman, is because of the volume of the proposition and the distances between where the man may have started and the point where he is discharged, for his records do not always keep up with him, and it is the difficulty of keeping records together that causes the delay. I am hopeful that most of those cases that we have where there is disability and there is no argument—the C. D. D. Board says it is in line of duty—we can pass upon them and not worry about the records until later on. We can collect them later on.

Mr. Chairman, there is one benefit that we do not hear much about, but it is very important, and that is the proposition of life insurance. We have on the books at the present time \$97,000,000,000 in life insurance. The average policy is running close to \$9,000. The men in this war are more insurance-minded than any other group I have ever heard of. In some instances coverage is over 95 percent. On the average, it is over 90 percent. As the men get nearer the ports of embarkation for overseas service, if they have \$5,000, they generally boost it up. Although we have a very large insurance problem, those claims are adjudicated separately from compensation. The committee may wish me to take the time to tell you how many of those we have had. Up to November 30, 45,575 claims were received. Out of that number we had allowed 36,910. We had disallowed only 3,349, and there were pending 5,316. The pending claims generally are waiting for evidence of some matter, generally brought about by those who have to show dependency—dependent mothers or fathers, or something of that kind.

Mr. Chairman, I have probably taken more time than I should have. I should be glad to answer any questions or be glad to place in the record data on any particular point that you wish on either bill. But I do urge the amendment to take into account length and character of service. The character of service will be covered when a man gets his pension, but I do feel that the man who has served on Guadalcanal and is home and discharged would feel that he is entitled to a little more than the man who got into camp and was discharged—and some of them have had very short service, such as 8, 10, or 30 days. I think he would probably wonder if we had been thinking exactly straight if we gave them all the same amount.

The CHAIRMAN. May I ask the committee if you do not think we should go into executive session at this time to let the general give us the figures on the number who have been discharged.

(There was a discussion off the record.)

The CHAIRMAN. I will ask all those who are not connected with the Veterans' Administration or the War and Navy Departments to leave the room, please, while the committee meets in executive session.

(The committee then held an executive session, the proceedings of which were not reported. The following then occurred:)

The CHAIRMAN. General Hines, on behalf of the committee, I want to thank you very much for your appearance here and for the help you have given us.

General HINES. Thank you, Mr. Chairman.

(The data submitted by General Hines is as follows:)

Hon. ANDREW J. MAY,
*Chairman, Committee on Military Affairs,
House of Representatives, Washington D. C.*

MY DEAR MR. MAY: This is in reference to your request of December 7, 1943, for a report on H. R. 3799, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

A number of bills, identified as follows, having the same general purport have similarly been referred with a request for a report.

House Committee on Military Affairs:

- H. R. 5: Report requested, November 17, 1943.
- H. R. 105: Report requested, November 17, 1943.
- H. R. 634.
- H. R. 923.
- H. R. 1247.
- H. R. 1579: Report requested, November 17, 1943.
- H. R. 2521: Report requested, November 17, 1943.
- H. R. 2538: Report requested, November 17, 1943.
- H. R. 3108: Report requested, November 17, 1943.
- H. R. 3181: Report requested, November 17, 1943.
- H. R. 3419: Report requested, November 17, 1943.
- H. R. 3459.
- H. R. 3475: Report requested, November 17, 1943.
- H. R. 3541: Report requested, November 17, 1943.
- H. R. 3591: Report requested, November 17, 1943.
- H. R. 3656.
- H. R. 3689: Report requested, November 19, 1943.
- H. R. 3735.
- H. R. 3742.

Reports have heretofore been made on H. R. 2193 and H. R. 2559.

May I request, therefore, that this letter serve as a report on all bills pending before your committee covering the general subject of a bonus, or mustering-out pay, on discharge from the active service regardless of what such gratuity may be denominated.

The purpose of H. R. 3799 is to provide that all members of the armed forces of the United States who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay. It is provided that mustering-out pay shall not be payable to any person who, at the time of discharge or release from active service, holds either a temporary or permanent commission of any rank above captain in the Army or any equivalent rank in any of the other armed services or to any member of the armed forces who, at the time of discharge or release from active duty is eligible for placement on the retired list. The amount of mustering-out pay is \$30, \$100 of which is payable at the time of separation from active service and \$200 payable in 2 consecutive monthly payments, except that in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments are suspended during the time such person has been selected for attendance at an approved educational institution. The reference to the Servicemen's Education and Training Act of 1943 apparently pertains to S. 1509, a bill to provide for the education and training of members of the armed forces and the merchant marine after their discharge or conclusion of service, and for other purposes,

which is pending before the Committee on Education and Labor of the Senate. Because of the specific provision that \$100 will be payable immediately at the time of discharge, the question arises as to whether the payments to be suspended are the remaining \$200, despite the fact that the bill provides for suspension of all payments. The need for clarification of the bill in this regard is indicated. Members of the armed forces discharged or released from active service before enactment of the bill and otherwise entitled to mustering-out pay will receive the first installment 1 month after the date the bill is enacted. In case of the death of the veteran before receiving the full amount of the mustering-out pay, the amount which he would have received had he lived will be payable to his surviving widow; or, if no widow, to his minor children, if any; and if no surviving widow or minor children, then in equal shares to his surviving parents. No other person may receive mustering-out pay.

Members of the armed forces of the United States, as used in the bill, means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components. There is authorized to be appropriated such sums as are necessary to carry out the provisions of the act, which shall be administered by the Secretary of War and the Secretary of the Navy.

Several other bills have been introduced which would provide benefits for certain persons who served in the active military or naval forces on or after December 7, 1941, which are intended to bridge the economic gap between discharge and employment, although payments are not contingent upon unemployment, and notwithstanding that approximately 1,000,000 have been discharged from service since Pearl Harbor, most of whom, if able to work, apparently have had little difficulty in finding employment. The present bill, in common with several others, bears no relationship to the length or character of service, and provides the same benefit for those who were discharged after a few days of service in this country as is provided for those who served in combat for long periods of time in foreign countries. The bill provides pay for all below the ranks designated except those eligible for retirement. It does not take cognizance of the probable duplication of benefits under other laws providing benefits for honorably discharged veterans except to suspend payments of mustering-out pay during the time a veteran is in a certain type of training.

There seems to be general agreement that there should be legislation which will ease the transition from military to civil life, especially during and after demobilization. The thought is rather general, too, that the benefits provided should not be a lump sum, but should be available for a reasonable period of time, particularly if there be widespread unemployment. These principles, together with consistency and practicability of administrative operation, should form the basis of whatever legislation is favorably considered. In connection with various studies made by committees on which I have served heretofore, I expressed the view that for ease of administration the service departments should pay for the first 2 months after discharge the full service pay; for the next 2 months 75 percent of the said pay and for the succeeding 2 months 50 percent. The objections are: Paying service pay to one not in the active service, and conversely retaining military control in a furlough or leave status for the purpose of avoiding the said objection.

I think any committee considering these bills will want to give careful thought to the cost involved. Several plans envisage total expenditures per person of from \$600 to \$1,000 or more; and while in some of the bills these amounts are reduced to the minimum of \$100 and a maximum of \$300, they contemplate other provisions or benefits such as 1 year or more of schooling for selected groups, unemployment insurance at Federal expense, and social-security coverage for the period in service with the so-called tax deduction therefor to be paid wholly out of Federal funds, i. e., without contribution on the part of the person in service, and these several benefits may well average \$1,000 per person in service. It should be mentioned that none of the bills apparently takes into consideration the fact that demobilization may extend over a considerable period of time and no allowance is made for those separated from the service heretofore, (more than 1,000,000 since Pearl Harbor, as above stated) nor for a large number who may remain in the service due to the continued needs of both the Army and the Navy. It is not believed there should be a pecuniary incentive to seek discharge any more than to avoid securing a job. Generally, no provision is made to prevent over-

lapping of so-called mustering-out pay and disability pensions. These service disability pensions range from \$10 per month for a 10 percent disability to \$100 per month for a total disability, with statutory provisions, as for the loss of certain members, increasing the amounts to as high as \$250 per month. While the pension laws preclude the payment of pension while the veteran is in receipt of active service or retirement pay, these proposed benefits do not fall in either category.

In addition to the easily appreciated moral hazard inherent in providing payments in such amount in individual cases as to mitigate against a healthy desire to seek civil rehabilitation, there must be considered over-all cost as indicated above. If this should average \$1,000 per person the cost can scarcely be calculated at less than \$10,000,000,000 considering the number of persons which now are, or will be, in the active service. The cost of any of these proposals may readily be estimated. None would be less than an average of \$500 per person; hence, for 12,000,000 veterans this minimum would be \$6,000,000,000. While, for security reasons, current figures are not available to the Veterans' Administration, we did, some few years since, with the assistance of the War and Navy Departments, calculate that the average pay plus maintenance of those in service was \$77 per month. With the increase in the pay base made by Public Law 607, Seventy-seventh Congress, (Pay Readjustment Act of 1942) plus the added cost of maintenance under war conditions the average of pay and allowances (not including family allowances) would doubtless exceed \$100 per person per month or over \$1,200 per year. For 10,000,000 veterans this would mean \$1,000,000,000 per month, or \$12,000,000,000 per year; which will afford a readily applied measure for calculating cost of any plan based upon so many months of pay.

I think the committee may well be interested in benefits now available for those serving in the present war. To detail them in this letter would require too great length; hence, there is enclosed a summary showing all such benefits. Therefrom, or rather from the table appended, it can be seen that there have been paid out by way of benefits to veterans of World War I, to date, something over \$15,000,000,000. Existing obligations in this connection to veterans of all wars and the peacetime or Regular Establishment will unquestionably equal \$1,000,-000,000 annually for several years.

The question that must be faced in consideration of any of these bills, for one or more of these proposals, will be what additional necessary and desirable benefits should be extended to veterans as such and what is the most equitable basis, as well as the practicability of administering such benefits. Popular sentiment naturally and properly extends to those bearing the burden of the tremendous conflict, but a sound program is one which is the cold afterthought of paying the costs will appear just and equitable, and which will leave no just claims for equivalent treatment. Further, precedents as to benefits afforded veterans of prior wars will have a tremendous bearing, as has been shown by past as well as present experience. For example, the official program of the United Spanish War Veterans has always called for benefits identical to those extended to the veterans of the Civil War, and that of the several service organizations is that benefits to veterans of World War II shall be on a parity with those of World War I. There is the further principle that the service-based benefit should bear some relationship by reason of the sacrifice of the service. This has been the basis of both service and disability pensions, as well as disability or death pensions. Again even the present high pay rates plus all allowances, including liberal income-tax exemptions, do not compare too favorably with the average labor earnings before the war, and less so as to wartime average labor pay scales. (Average 1940, \$1,362; 1942, \$1,900; 1943, \$2,000.)

Because of the cost involved and the large numbers of individuals affected and which, unless the plan be of the simplest possible nature, would involve tremendous administrative difficulties, I find it difficult to formulate any reasonable plan which would eliminate all of the possible objections. The bill, H. R. 3799, would be simple in operation, and would cost for 12,000,000 veterans \$3,600,-000,000, plus the cost of administration.

The Veterans' Administration would have no responsibility under H. R. 3799, as its provisions would be administered by the Secretary of War and the Secretary of the Navy. For this reason it is assumed that your committee will desire the views of the War and Navy Departments on the proposed legislation.

Very truly yours,

FRANK T. HINES, *Administrator.*

BENEFITS PRESENTLY AFFORDED MEMBERS OF THE MILITARY FORCES OF THE UNITED STATES UNDER THE LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

1. Pensions (or, for Reserve officers and officers appointed in the Army of the United States, retirement pay).
2. Rehabilitation:
 - (A) Medical and hospital care, prosthetic appliances, and domiciliary care.
 - (B) Vocational rehabilitation.
3. Insurance:
 - (A) National service life insurance.
 - (B) Government life (converted) insurance.
 - (C) Guaranty of premiums, commercial insurance.

(For ready reference there is a chart on p. 25 showing total expenditures, and other data, respecting these benefits for veterans and their dependents of World War II, and comparable benefits for World War I, from 1918 to September 30, 1943.)

VETERANS' ADMINISTRATION

*Disbursements made for relief of World War II veterans and dependents
December 1941 to September 30, 1943*

| | Disbursements | |
|--|----------------------------|----------------------------|
| | Total to Sept. 30, 1943 | During Sep- tember 1943 |
| Pensions: | | |
| Veterans: | | |
| Service-connected | \$4,877,105.22 | \$879,257.04 |
| Retired Reserve officers and enlisted men ¹ | 349,054.94 | 42,504.40 |
| Dependents | 6,234,856.96 | 882,443.96 |
| Total | 11,461,017.12 | 1,804,205.40 |
| National-service life insurance: Cash payments made for death benefits disbursed | 11,122,977.19 | 1,706,029.29 |
| Approximate cost of hospitalization and domiciliary care, World War II veterans | 5,142,043.76 | 840,947.90 |

¹ Retired Reserve officers included with Regular Establishment living veterans prior to fiscal year 1943.

World War II veterans hospitalized or domiciled

Admissions to hospitals or domiciliary care, December 1941 through Oct. 31, 1943:

| | |
|--------------------------------|--------|
| Tuberculous | 4,685 |
| Neuropsychiatric | 10,473 |
| General | 15,602 |
| | |
| Total ¹ | 30,760 |
| Domiciliary care, October 1943 | 57 |

Remaining under hospital or domiciliary care at end of October 1943:

| | |
|---------------------------------------|-------|
| Tuberculous | 1,889 |
| Neuropsychiatric | 4,290 |
| General | 2,551 |
| | |
| Total | 8,730 |
| Domiciliary care, end of October 1943 | 95 |

¹ Includes 151 domiciliary admissions prior to October 1943.

Disbursements for relief of World War I veterans and dependents, 1918 to Sept. 30, 1943

| | Total to Sept. 30, 1943 | During Septem- ber, 1943 |
|---|----------------------------|-----------------------------|
| Direct benefits: | | |
| Compensation or pension: | | |
| Death: | | |
| Service-connected | \$841,559,870.02 | \$4,246,436.96 |
| Non-service-connected | 52,642,899.19 | 941,546.68 |
| Disability: | | |
| Service-connected | 3,592,943,710.88 | 13,520,272.09 |
| Emergency officers' retirement pay | 82,779,775.95 | 354,181.61 |
| Disability allowance or nonservice pensions | 387,068,184.99 | 3,134,503.29 |
| Adjusted service certificates | 3,796,207,383.34 | 61,863.02 |
| Adjusted service and dependent pay | 55,513,391.59 | ¹ 99.40 |
| Loans to veterans for transportation | 76,103.36 | |
| Insurance: | | |
| Term | 2,194,926,194.23 | 794,513.80 |
| Government life (converted) | 600,369,475.99 | 3,940,849.38 |
| Allotments and allowances | 582,932,979.02 | ¹ 255.17 |
| Vocational rehabilitation | 644,871,021.46 | |
| Total, expenditures for direct benefits | 12,831,890,990.02 | 26,993,812.26 |
| Indirect benefits ² | 2,025,117,229.40 | 9,152,272.83 |
| Grand total | 14,857,008,219.42 | 36,146,085.09 |

¹ Credit.

² Operating cost of central and regional offices and hospitals, burials, transportation of beneficiaries, hospital construction, etc.

I. PENSION, DISABILITY PENSION, DEATH PENSION, RETIREMENT PAY

Pensions are payable for disability or death incurred in or due to active military service, in line of duty and not the result of the person's own misconduct.

Disability pension is payable to any person honorably discharged and is based upon the degree of disablement ranging from 10 to 100 percent, with payments based thereon ranging from \$10 to \$100 per month. For specific losses, as the loss of a hand or a foot, blindness, etc., additional amounts are payable, the highest rate being \$250 per month.

Retirement pay.—In lieu of such pension or compensation, Reserve officers called to active duty, and officers appointed in the Army of the United States, meeting the requirements of the Army regulations pertaining to retirement of officers of the Regular Establishment are retired by the War Department, certified to the Veterans' Administration, and their retired pay equal to 75 percent of their base pay is paid by the Veterans' Administration out of the pension appropriation.

Death pension.—The death pension rates for widows and children were increased by Public Law No. 144, Seventy-eighth Congress, July 13, 1943. These rates for death in service or service-connected death are as follows:

| | |
|---|------|
| Widow, no child | \$50 |
| Widow, 1 child (with \$13 for each additional child) | 65 |
| No widow, but 1 child | 25 |
| No widow, but 2 children (with \$10 for each additional child, the total not to exceed \$100) | 38 |
| Father or mother, each | 25 |
| Or 1 only | 45 |

Claims and effective date of awards.

The effective date of an award of disability or death pension is generally the date the claim is received by the Veterans' Administration, but in the case of a disability claim filed within 1 year of discharge the pension may be awarded from discharge, and if a death claim is filed within 1 year from date of death, pension is payable from the date of death.

Except in cases of soldiers transferred by the Army to a Veterans' Administration facility, the applicant should file claim on proper form, which will be supplied upon inquiry addressed to any Veterans' Administration facility or regional office, or to the local representative of the American Red Cross or of a veterans' service organization.

Claims of soldiers discharged for hospitalization.

Under interagency agreement, when a person who is to be discharged from military service is in need of further hospital care, prior arrangements are made by the commanding officer to afford him opportunity to file all necessary claims, supply necessary clinical and service data and to send the veteran to the Veterans' Administration facility designated to receive him (cf. A. R. 615-360, Change No. 4, April 16, 1943). If the disabled person is insane or incompetent, the manager of the Veterans' Administration facility will file all necessary claims for him.

Upon death in service the Service Department notifies the Veterans' Administration, and claims forms are sent immediately to all known dependents.

Groups potentially eligible for pensions.

All members of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Corps, and members of the Public Health Service or of the Coast and Geodetic Survey when ordered to active service with the Army or Navy.

The Women's Army Auxiliary Corps was not in the active service, and the several Women's Reserve Corps of the Navy, Marine Corps, and the Coast Guard are in the active service, they were by statute precluded from pension eligibility—in lieu thereof, being subject to laws pertaining to employee's compensation. Legislation has been enacted making the Women's Reserve of the Navy and Marine Corps components eligible potentially for pension benefits (Public Law No. 183, 78th Cong., approved November 8, 1943). The Women's Reserve of the Coast Guard are still subject to laws pertaining to employees' compensation, but legislation is pending to correct this inequality.

Awards to date.

As indicated by the chart on page 2, pension payments to veterans of World War II, or their dependents, total \$11,461,017.12 to September 30, 1943.

II. REHABILITATION

Rehabilitation essentially consists in physical, and in some cases mental repair, plus, in the case of those with handicaps arising from service disability, vocational training.

(a) Medical and hospital care, prosthetic appliances, and domiciliary care.

1. *Persons entitled to medical treatment, hospital treatment, prosthetic appliances, and domiciliary care.*—Any veteran of the present war, honorably discharged for a service-connected disability requiring such care, treatment, or appliance, or one who was discharged for disability and not dishonorably. Also one not dishonorably discharged, who is unable to defray his expenses, has tuberculosis or a neuropsychiatric ailment or disability which requires hospital care.

2. *Persons entitled to hospital or domiciliary care, contingent upon availability of facilities.*—Any veteran of the present war, not dishonorably discharged, suffering from disability, disease, or defect, and who is in need of such care and is unable to defray the expenses therefor—regardless of whether the disability, disease, or defect was due to service.

3. *Service groups included.*—All components of the Army, Navy, Marine Corps, and the respective Women's Reserves thereof.

4. *Facilities available.*—The Veterans' Administration maintains 93 facilities, and has contract facilities, with a total of 87,486 beds, distributed as follows (as of December 2, 1943) :

| | |
|------------------------------|--------|
| Tuberculosis | 5,700 |
| Neuropsychiatric | 38,617 |
| General medical and surgical | 22,797 |
| Domiciliary | 17,464 |
| Contract—other governmental | 2,533 |
| State and private | 375 |
| Total | 87,486 |

Diagnostic centers, with expert specialists available, are maintained at: Hines, Chicago, Ill.; San Francisco, Calif.; and Mount Alto, Washington, D. C. Cancer clinics: Bronx, N. Y.; Hines, Chicago, Ill.; Mount Alto, Washington, D. C.; Atlanta, Ga.; Portland, Oreg.; and Los Angeles, Calif.

The present building program will raise this total to more than 100,000 beds. The Veterans' Administration anticipates an eventual need of 300,000 beds to enable veterans of World War No. 2 and of prior wars to receive hospital and domiciliary care to the same extent as is now provided. However, this estimated maximum should not be needed until long after the war or require the eventual additional construction of more than 100,000 beds, since there will be under present plans 100,000 beds in Veterans' Administration facilities and it is anticipated that it should be possible to obtain the same number from the Army and Navy shortly after the termination of the war.

5. *Claims, and numbers hospitalized.*—Any person who is to be discharged from active service and who is in need of and entitled to hospitalization by the Veterans' Administration, is transferred directly to the Veterans' Administration facility designated to receive him. Claim for all benefits, and necessary clinical and service data accompany him, or are filed by the manager if the veteran is insane or incompetent.

All others should file claim for treatment or hospitalization directly with the nearest Veterans' Administration facility or regional office—one, or more, in each State in the Union except Delaware.

As shown by the chart, page 2, 30,760 veterans of World War No. 2 have been hospitalized by the Veterans' Administration to October 31, 1943, and 8,730 remained in Veterans' Administration facilities as of October 31, 1943.

6. *Domiciliary care.*—While domiciliary care cannot be said to be a part of the rehabilitation process, it is a valuable benefit for those who have reached a permanent state of disability and have no other means of support.

(b) *Vocational rehabilitation.*

1. *Entitlement, and scope of program.*—Public Law No. 16, Seventy-eighth Congress, approved by the President March 24, 1943, provides:

(1) That any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war,

(2) And who was honorably discharged,

(3) And who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration or would be but for the receipt of retirement pay;

(4) Who is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement.

Immediately following the passage of that legislation there was created in the Veterans' Administration a Vocational Rehabilitation Service composed of three divisions, namely, the Vocational Advisement Division, the Training into Employment Division, and the Research Division. The planning and control functions created by the administration of this act are exercised in the central office of the Veterans' Administration. All operations, including determinations of need for training, vocational advisement, induction into training, supervision, as well as the selection of training facilities, are functions of the Vocational Rehabilitation Division in that facility of the Veterans' Administration having jurisdiction of the territory in which the veteran resides. There are 53 such facilities. These facilities are, generally speaking, bound by State boundary lines. In a few States there is more than one facility. The course of training prescribed by the Administrator of Veterans' Affairs to fit the veteran for employment may not exceed 4 years and may not extend beyond 6 years after the termination of the present war.

"The purpose of rehabilitation is to restore employability lost by virtue of a handicap due to service-incurred disability." In performing the functions imposed upon this administration by Public Law No. 16, it will be the purpose of the Veterans' Administration to utilize educational institutions and establishments of recognized standing in the training of these disabled veterans into employment and to train each person as near his home as may be possible. In securing employment, a problem which obviously will be very great after the end of the war and perhaps acute after demobilization has been accomplished, every available Federal and State facility will be utilized. Employment of veterans has been satisfactorily

accomplished through the United States Employment Service. It will be the purpose to correlate these activities to the end that those vocationally trained will be graduated into employment opportunities.

2. *Monetary benefits while in training.*—While the disabled veteran is in training his pension, unless it equals or exceeds such amounts, will be increased to \$80 per month, if single; \$90 per month, if married, with \$5 additional for each child, and \$10 for each dependent parent. All expenses of training, including necessary transportation, are paid. Medical care is given as required.

3. *Service groups potentially entitled.*—All persons presently in the Army, Navy, Marine Corps, and Coast Guard, including the Women's Army Corps, are potentially entitled to this benefit. The Women's Reserve of the Navy and Marine Corps are included for this benefit since the approval of Public Law No. 183, Seventy-eighth Congress, approved November 8, 1943. There is legislation pending in the Congress which would include for entitlement the Women's Reserve of the Coast Guard, not now entitled because of the fact that they are not, under existing statutes, entitled to pension.

4. *Applications and approval of training.*—The program has been initiated and applications for vocational rehabilitation are being received from those who have been discharged from the armed forces. It will be observed that entitlement is contingent upon an award of pension or retirement pay. Those persons discharged from the service directly to the Veterans' Administration facilities for hospitalization will have their claims filed and processed; and the question of need for and entitlement to vocational rehabilitation may be given consideration as soon as the individual's physical and mental condition make training feasible. Any other person honorably discharged from the service may make claim for vocational rehabilitation in the claim for pension which may be filed at the nearest Veterans' Administration facility or regional office.

III. INSURANCE

(a) *National service life insurance.*

1. *Persons eligible for insurance.*—Any man or woman in the active service of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Reserve, and the Women's Reserve of the Navy, Marine Corps, or Coast Guard may apply for not less than \$1,000 and not more than \$10,000 national service life insurance, without physical examination prior to the expiration of 120 days from entrance into active service. Thereafter, any such person may apply, if application be accompanied by acceptable evidence of good health.

2. *Applications, payment of premiums, and issuance of policies.*—Application forms are supplied the service departments, and may be obtained from the commanding officer or designated insurance officer. The applicant may elect to pay premiums in cash or by allotment of pay. Policies are not issued during the war, but insurance certificate is mailed to the address designated by applicant.

3. *Coverage and types of policies.*—The insurance is against death only, but includes waiver of premiums during total disability existing for more than 6 months, and commencing prior to insured's sixtieth birthday. The policy is a 5-year level premium term policy with rate based upon the American experience table of mortality, and 3 percent interest—the Government assuming the extra hazard of the military and naval service and the administrative expense. The insurance is payable only to a widow (widower), child (including a stepchild or illegitimate child, if designated by the insured), parent (including person in loco parentis), brother and sister of the insured; and is payable only in monthly installments. The insured may change the beneficiary designation at any time.

4. *Conversion.*—After the policy has been in effect for at least 1 year, while in force it may be converted to an ordinary life, 20-payment life, or 30-payment life policy upon application to the Veterans' Administration without medical examination.

5. *Automatie (gratuitous) insurance.*—In cases where the person in service died or became totally disabled, or was captured or isolated by the enemy prior to April 20, 1942, and had less than \$5,000 insurance in effect, the law provides that gratuitous insurance to an aggregate of \$5,000 shall be deemed in effect. Claims for such gratuitous insurance should be filed as soon as possible because of limitations. In most of these death cases only a widow, child, or dependent parent can claim such insurance.

6. Number of policies, amount of insurance, and payments.—As of October 30, 1943, over 12,306,342 applications had been received, representing a total amount of nearly \$82,557,524,500 of insurance. The average policy is approximately \$7,115; the average coverage per life approximately \$8,000.

The insurance is payable in the event of the death of the insured while the policy is in force to a beneficiary or beneficiaries which may be designated by the insured only within the relationship of widow or widower, child, parent, brother, or sister. The proceeds of the policy are payable as an annuity in 240 equal monthly installments of \$5.51 for each \$1,000 of insurance to any beneficiary who is under 30 years of age at the time of the death of the insured; otherwise, in continuous monthly installments throughout the lifetime of the beneficiary, with a guaranty of the payment of 120 monthly installments to the surviving relatives of the insured who are within the permitted class of beneficiaries. The amount of the monthly installment under the latter mode of payment is dependent upon the age of the beneficiary at date of death of insured. For example, if the beneficiary is then 40 years old, monthly installment is \$4.50 for each \$1,000 of insurance; if 50, \$5.39; if 60, \$6.81; if 70, \$8.51.

The beneficiary would receive under a policy of \$5,000 or \$10,000, for example, monthly payments beginning at the stated ages, in the following amounts: \$27.55-\$55.10; \$22.50-\$45; \$26.95-\$53.90; \$34.05-\$68.10; and \$42.55-\$85.10.

[**NOTE.**—All claims for insurance benefits should be addressed to the Veterans' Administration, Washington, D. C., but necessary forms may be received from the nearest Veterans' Administration facility.]

(b) Government (converted) insurance.

This insurance can be applied for only by those who served in World War No. 1. No one may have more than \$10,000 national service life insurance and Government (converted) insurance combined.

(c) Insurance premiums guaranteed by Government under Soldiers and Sailors Relief Act, amendment of 1942.

Any person in the active service having a commercial life policy or policies meeting the requirements of said act, article IV, may, upon application to the Veterans' Administration on form supplied the Army and Navy, secure guarantee of premiums, on amount of insurance not in excess of \$10,000, while he is in the service during the present war. The insurance premiums so guaranteed by the Government constitute a lien against the policy and must be paid by the company out of any settlement thereof. In the event of the insured's discharge from service he has a period of 2 years within which to pay the premiums with interest so guaranteed or otherwise such indebtedness constitutes a loan on the policy with interest and if the amount of such indebtedness exceeds the cash surrender value, the policy is automatically canceled and the Government pays the insurer the difference between such cash surrender value and the indebtedness. Forms for making application for such insurance protection are supplied to the War and Navy Departments and may be secured in person or from his commanding officer or other designated official.

As of September 30, 1943, 61,108 applications with insurance totaling \$148,343,247.70 have been approved and premiums guaranteed.

IV. GUARDIANSHIP

Supervision is maintained, in cooperation with the State courts, over payments of any benefits made on account of insane or minor beneficiaries to insure proper application of such benefits.

V. VETERANS' BENEFITS UNDER OTHER LAWS

Allotments and allowances, War and Navy Departments.
Domiciliary care:

U. S. Soldiers' Home, War Department.
Naval Home, Navy Department.

(This is in addition to that provided by the Veterans' Administration.)

Employment:

Return to job after discharge, Selective Service.
Placing in other jobs, War Manpower Commission.
Veterans preference, U. S. Civil Service Commission.
Job-training-rehabilitation (nonservice disability), Federal Security.
(The Veterans' Administration cooperates fully in all these functions.)

Insurance:

Old Age and Survivors, Social Security.
Unemployment, Social Security.
Retirement, Railroad Retirement Board.

Retirement pay: Army, Navy, Marine Corps, and Coast Guard. (For officers and enlisted personnel of the regular establishment, and Reserve components of Navy, Marine Corps, and Coast Guard.)

Taxes, Bureau of Internal Revenue: (All veteran benefits under laws administered by the Veterans' Administration are exempt from all taxation.)

The foregoing outlines in brief form the benefits available to those serving during the present war and their dependents. Monetary benefits to veterans and dependents based upon wartime service-connected disabilities are the same for all wars and for those where disabilities resulted from service during peacetime which was extra hazardous, including service under conditions simulating war. Rates of pension for service-connected disabilities incurred or aggravated in peacetime service are approximately 75 percent of wartime rates. Veterans of all wars are entitled to hospitalization and domiciliary care based upon service-connected or non-service-connected disabilities, and peacetime veterans if discharged for disability incurred in line of duty or if in receipt of pension for service-connected disability. Service pensions have been provided for veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection and their widows and children. Pension of \$10 monthly is afforded veterans of World War No. 1 who are permanently and totally disabled, subject to an income limitation. Compensation has been provided for widows and children of deceased veterans of World War No. 1 whose deaths were not service connected but who at time of death had a service-connected disability. Yearly renewable term, automatic, and United States Government life insurance were made available for World War No. 1 veterans and until the enactment of the National Service Life Insurance Act of October 8, 1940, United States Government life insurance was available to persons in the active service in peacetime. Since that date national service life insurance has been available during active service.

The CHAIRMAN. The committee will stand adjourned until 10 o'clock tomorrow morning.

(At 12 noon an adjournment was taken until Thursday, December 9, 1943, at 10 a. m.)

MUSTERING-OUT PAY

THURSDAY, DECEMBER 9, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The committee met at 10 a. m., pursuant to adjournment, Hon. Andrew J. May (presiding).

The CHAIRMAN. The committee will please be in order.

We are resuming hearings this morning on H. R. 3742 and H. R. 3799.

Yesterday, at the conclusion of General Hines' testimony, or at least during the course of his testimony, he referred to an order by the Adjutant General and the Chief of Staff, an order dated December 4, 1943, signed by General Marshall.

At this point I want to insert that order in the record to be printed following the testimony of General Hines.

(The order referred to is as follows:)

Circular No. 315.

WAR DEPARTMENT,
Washington 25, D. C., December 4, 1943.

* * * * *

VI. VETERANS' ADMINISTRATION.—1. The expeditious consideration of claims of military personnel being discharged on a Certificate of Disability for Discharge is of vital importance and is of great concern to the War Department. To facilitate this processing, authority is granted for Veterans' Administration personnel to function at military installations. Such personnel will be assigned by managers of Veterans' Administration facilities normally to installation, such as general hospitals, from which men are discharged in considerable numbers. They will perform duties relating to the adjudication of claims for benefits under laws administered by the Veterans' Administration.

2. Commanding officers of military installations will cooperate fully with authorized Veterans' Administration personnel and will provide space upon request of the manager of a Veterans' Administration facility. The commanding officer will also furnish necessary equipment within his available means.

3. Where Veterans' Administration personnel are functioning at a military installation in accordance with this circular, such personnel will be construed as being the nearest Veterans Administration office for the purposes outlined in paragraph 16e (1), (2), and (3), AR 615-360 (C 4).

[A. G. 292 (27 Nov. 43).]

BY ORDER OF THE SECRETARY OF WAR:

G. C. MARSHALL,
Chief of Staff.

OFFICIAL:

J. A. Ulio,
Major General,
The Adjutant General.

The CHAIRMAN. Now, we have as the first witness this morning Brig. Gen. W. F. Tompkins, Office of the Chief of Staff.

**STATEMENT OF BRIG. GEN. W. F. TOMPKINS, OFFICE OF THE CHIEF
OF STAFF, WAR DEPARTMENT, WASHINGTON, D. C.**

The CHAIRMAN. General, will you state your name for the record? General TOMPKINS. I am Brig. Gen. William F. Tompkins, Office of the Chief of Staff.

Maj. Gen. M. G. White, G-1, was to have been the War Department's witness today, but unfortunately he is ill and I have been designated to appear in his stead and to give you the War Department's views on H. R. 3799.

With your permission I would like to read a prepared statement and then answer any questions the committee may wish to ask.

The CHAIRMAN. You may proceed, sir.

General TOMPKINS. At the outset may I invite your attention to the fact that the War Department has just been requested to submit a report upon this bill, and there has not been time to submit the views of the War Department to the Bureau of the Budget. Therefore, the views expressed in this statement are only those of the War Department and have not been cleared by the Bureau of the Budget.

The War Department favors the enactment of legislation to accomplish the general purposes expressed in H. R. 3799 to pay mustering-out pay to members of the armed forces of the United States, who are discharged or relieved from active duty on general or partial demobilization so that they may be assisted over the difficult period of readjustment from military to civilian life. The enactment of such legislation at this time will give notice to our armed forces, as the President stated in his recent message to the Congress, "that the people back home do not propose to let them down."

At the same time, however, the War Department is fully aware that the subject of mustering-out pay for our discharged and released veterans is essentially a matter for determination by the Congress.

Considerable thought has been given nevertheless in the War Department to the questions which naturally arise in connection with the administration of such legislation, and I am hopeful therefore that it may be helpful to the committee to express in general terms the War Department's views on mustering-out pay and then draw attention to some of the specific provisions of H. R. 3799 to which the committee may desire to give its attention.

The War Department favors the provision for mustering-out pay in monthly installments and feels that they should be sufficient in size to afford a reasonable standard of living to the veterans. This presents the question of whether further provision should be made for those discharged soldiers who have dependents. It is believed proper to exclude officers drawing the pay of field grade from receiving benefits under the bill.

It is further the view of the War Department that while eligibility for separation pay in some form should be based principally upon the fact that an individual has been demobilized, consideration might well be given in making some distinction between persons discharged after short periods of service, say, not in excess of 3 months, and those who have served for longer periods of time.

So much for the general statements with reference to this bill.

Turning to the specific items about this bill, may I first invite your attention to page 1, lines 3-8. Since Congress has generally required

in legislation of this character that no person should receive benefits when discharged under other than honorable conditions, it is believed that it should be pointed out that the verbiage referred to in H. R. 3799 would make eligible to receive mustering-out pay persons who have resigned for the good of the service or have received discharges for any number of reasons such as dependency, minority, fraudulent enlistment or induction, desertion in some instances, inaptness, or undesirable habits or traits of character, or conviction by a civil court. It is desired to point out that this would be an exception to the usual provisions of legislation granting benefits.

It is noted that the bill provides, lines 8-11, page 1, and line 1, page 2, that mustering-out pay should not be given to a person who at the time of discharge holds a commission of any rank above that of captain. If it is the desire of Congress to make ineligible for mustering-out pay those commissioned officers drawing pay of the grade of major or above, then it would seem that the language of the bill should describe the classification of persons who are ineligible by pay period rather than by rank since a captain in the Army with sufficient number of years service may be drawing the base pay of the fourth pay period to which a major is initially entitled. Such a change would cover the cases of Army and Navy nurses who do not hold commissions but hold relative rank with commissioned officers.

The proviso on page 2, lines 2-5, inclusive, excluding members of the armed forces who at the time of discharge shall be eligible for placement on the retired list, is ambiguous to the War Department. Only members of the Regular Army are entitled to be retired, although officers of other components may be under certain circumstances entitled to retirement pay. It is believed that this language should be clarified.

The proviso commencing with line 11 and ending with line 15 on page 2 of the bill relative to the suspension of payments for persons selected under the Servicemen's Education and Training Act of 1943 appears to suspend the payment of benefits granted by the bill but not exclude those persons taking advantage of the Servicemen's Education and Training Act. The legislation for education and training was recommended by the President in his message to the Congress on November 23, 1943, but has not yet been enacted into law. It would therefore seem desirable that this language be excluded from this bill and that consideration be given to the suspension of mustering-out pay to such persons by way of a provision in the bill providing for education and training.

Section 3 of the bill providing for the receipt of the first installment of mustering-out pay 1 month after the effective date of the act does not require any affirmative act on the part of the eligible person to receive the first installment of mustering-out pay. It should be borne in mind that this section deals with men who will have been discharged from the service before the effective date of the act, and in order to avoid the confusion which would result from making payments on the basis of records which may be obsolete in many cases as to the addresses of those who are discharged or relieved, and as to whether they are living or dead, it is recommended that section 3 be amended so that it will provide that benefits will be paid within 1 month after application has been made by the person entitled thereto and received by the War Department.

In view of the fact that section 4 of the bill provides for the payment of the benefits to certain survivors where the veteran is deceased, it is believed that the language of the bill should require an application from the eligible beneficiary.

By the terms of section 3 of the bill, individuals who have been discharged from the Army, such as persons who were in the status of enlisted men, have completed officers' training courses and have since become commissioned officers, would be entitled to receive benefits under this bill while on active duty in a pay status and such payments would presumably defeat the purpose of the bill. No prohibition is provided in the bill to prevent payments to an individual for more than one contract of service. In other words, the bill would authorize the sum of \$300 to an enlisted man who was discharged to accept a commission and another payment of \$300 to the same individual upon release from active duty or discharge under his commission. In some cases the absence of such a prohibition might result in the granting of even more than two awards of \$300. If it is intended to pay this award only once to each person, it should be so stated.

As to section 4 of the bill it is suggested that it would be desirable to amend the section so as to include cases involving a single child or a single parent, and with reference to this same section, in view of the fact that there are now in the armed services married female personnel, such as Army nurses and members of the Women's Army Corps, it should be pointed out that a veteran's sole survivor may be a widower rather than a widow.

The committee may also desire to give consideration to the exclusion from the benefits of the bill:

(1) Persons discharged on their own application to take immediate employment.

(2) Persons who were employees of the United States Government, its Territories or possessions, or the District of Columbia, who are entitled to their former positions or positions of like seniority, status, and pay under provisions of section 8 of the Selective Service and Training Act of 1940, as amended.

(3) Cases of Air Corps Reserve officers who are entitled to a lump-sum payment of \$500 in addition to their pay and allowances under the act of June 16, 1936 (49 Stat. 1524) after the completion of 3 years' service.

The bill makes no mention of any distinction between individuals of long length of service and persons of short length of service, nor any distinction between persons with dependents and those without dependents, and no provision is made for exemption of mustering-out pay from taxation. It is recommended that a new section be proposed to read as follows:

No part of the mustering-out pay authorized by this act shall be subject to deduction in settlement of debts due the United States or instrumentalities therof, nor shall such pay be assignable or subject to the claims of creditors of any person to whom or on behalf of whom they are paid; and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

In conclusion, I should like to state that we have gotten together some figures to determine the cost of this legislation if enacted insofar as it relates to people who have been discharged or relieved from active duty up to the present time. In this connection, it is pertinent to

remark that during that period immediate lucrative employment has been widely available for such persons.

As to the cost for such payments, depending upon the number already discharged, it is estimated roughly to be one-fourth billion dollars.

I will be glad to answer any questions.

The CHAIRMAN. All right, sir, I think maybe we will have some for you.

I am interested in finding out what your views are on this proposition:

First, what does a second lieutenant receive?

General TOMPKINS. I think perhaps Colonel Partlow can answer that.

Colonel PARTLOW. \$1,800 base pay.

The CHAIRMAN. Plus what other allowances?

Colonel PARTLOW. For subsistence and quarters.

The CHAIRMAN. You may furnish that.

What does a first lieutenant receive?

Colonel PARTLOW. \$2,000 base pay.

The CHAIRMAN. Plus allowances for quarters and subsistence.

Colonel PARTLOW. Plus allowances for quarters and subsistence.

The CHAIRMAN. What is the compensation of a captain?

Colonel PARTLOW. \$2,400 annually, base pay, with allowance for subsistence and quarters.

Mr. JOHNSON. Would you mind putting in the record what the allowances are for subsistence and quarters?

Colonel PARTLOW. They have increased a little bit under the act of 1942.

The CHAIRMAN. Suppose you let him put these figures in the record for us.

(The figures are as follows:)

| | Base pay | Rental allowance | | Subsistence | |
|------------------------|-------------|----------------------|----------------------------|----------------------|----------------------------|
| | | With de- pendents | Without depend- ents | With de- pendents | Without depend- ents |
| Second lieutenant..... | \$1,800 | \$60 | \$45 | \$42 | \$21 |
| First lieutenant..... | 2,000 | 75 | 60 | 42 | 21 |
| Captain..... | 2,400 | 90 | 75 | 42 | 21 |

The CHAIRMAN. Now, General, I want to ask you what the position of the War Department is with regard to furloughing and discharging men after a period of time, during which time they would remain in their uniforms, and not be actually discharged, say for 3 to 6 months.

What are your views on that?

General TOMPKINS. You mean that is in lieu of the separation pay?

The CHAIRMAN. No, suppose the committee decides they wanted to furlough them for 3 months at \$100 a month.

General TOMPKINS. We prefer the bill providing for their discharge and payment rather than retaining them in the Army because there would be a great many administrative difficulties.

In furloughing the men the Government would be responsible and would not have any real control over them and further we do not feel the soldiers would like it. We feel by discharging them and getting them mustered out they would immediately seek employment whereas with the furlough they might delay that.

The CHAIRMAN. If they are furloughed, the regulations require them to wear their uniforms throughout the period of the furlough. Is that right?

General TOMPKINS. That would be the case during the emergency. Of course, Mr. May, they can wear their uniforms for 90 days after discharge now.

The CHAIRMAN. That is the only length of time they can wear them legally.

General TOMPKINS. Yes, but that can be easily changed.

The CHAIRMAN. Have you made any estimate of the entire cost of this program based on the demobilization of the Army at the end of the conflict?

General TOMPKINS. No, sir; we have not. That would depend upon the length of the war, because we have replacements coming in constantly.

The CHAIRMAN. Have you any record of the 600,000 men who have been discharged up to now?

General TOMPKINS. Yes, sir.

The CHAIRMAN. With regard to how many are employed and how many are unemployed?

General TOMPKINS. No, sir; we do not have that but we do know it has been easy to obtain employment up to the present time.

The CHAIRMAN. In other words, employment is readily obtainable by anybody who wants to work.

General TOMPKINS. Yes, sir.

The CHAIRMAN. Mr. Thomason.

Mr. THOMASON. General, I did not quite catch what you had to say about servicemen attending educational institutions who have been made ineligible.

General TOMPKINS. No; in this bill it is worded as if the educational bill had already become law, and that is not the case.

Mr. THOMASON. They should be included the same as any other.

General TOMPKINS. That is for the consideration of Congress, but we feel benefits should be paid to only those—

Mr. THOMASON (interposing). You feel those taking prolonged courses in medicines, and so forth, should not be included?

General TOMPKINS. We feel that is up to Congress, but we generally favor paying mustering-out benefits only to those actually needing it.

Mr. THOMASON. Do you know how many there are attending schools?

General TOMPKINS. Can Colonel Partlow answer that?

Colonel PARTLOW. No, sir; but we can get that very quickly.

The CHAIRMAN. Let them be put into the record also.

(The information requested is as follows:)

The number of persons now attending schools under the Army specialist training program is approximately 140,000. It is contemplated that by the 1st of April this number will be reduced to approximately 125,000. This figure does not include the Army Specialist Training Reserves (17-year-olds), which approximate 7,000, now in colleges.

The CHAIRMAN. Mr. Arends?

Mr. ARENDs. You feel payment should be made directly and at once. Do you favor the payment of a certain amount—\$100, \$200, or \$300?

General TOMPKINS. We favor the monthly payment plan.

Mr. ARENDs. Monthly payments?

General TOMPKINS. Yes, sir.

Mr. ARENDs. Do you feel it should be \$100, \$200, or \$300?

General TOMPKINS. We feel other people are better qualified to fix that. We are inclined to favor additional payments for dependents.

Mr. ARENDs. I think that is one of the things Mr. Brooks had in mind with his furlough pay.

The CHAIRMAN. Mr. Brooks.

Mr. BROOKS. As I understand, this is not a hearing except on bills 3742 and 3799.

The CHAIRMAN. That is correct. There are about 20 of them altogether, but we can consider anything that is in any bill.

Mr. ARENDs. General, let me ask you this; you are referring to mustering-out pay. Do you think this is in lieu of furloughing or any other relief?

General TOMPKINS. We understood the purpose is to give mustering-out pay to a man upon discharge. I understand there is another bill before Congress providing for unemployment insurance for a period of 27 weeks, which would give additional assistance.

Mr. ARENDs. Do you consider this a final benefit to be given these men when they leave the service?

General TOMPKINS. As far as the War Department is concerned, I do not know whether that would be so or not. That depends upon the size, of course. We consider this should enable them to obtain employment.

Mr. ARENDs. Do you think by adopting the mustering-out-pay plan you eliminate the proposition that has been advanced by a number of witnesses for the furlough plan?

General TOMPKINS. Yes; we understand this is in lieu of giving them a furlough.

Mr. ARENDs. So this would be exclusive of a furlough and the furlough would be exclusive of this.

General TOMPKINS. Yes.

Mr. ARENDs. You suggested in your statement that the amount be changed in accordance with the character and length of service.

Have you any suggested schedules by which the committee could proceed?

General TOMPKINS. We suggest a smaller amount might be given a man with less than 3 months' service.

Mr. ARENDs. What do you think should be given to those men?

General TOMPKINS. Perhaps a lump-sum payment of \$200, somewhat as provided in H. R. 3742, the first bill, for 1 month's service, \$100, and for 2 full months' service, \$200.

Mr. ARENDs. How about 3 years' service?

General TOMPKINS. Our thought on that is that the bill should provide payment for a reasonable length of time to allow the men to get employment. The difficulties of getting employment after service of some period of about 3 months or so are practically as great as for several years' service.

Mr. ARENDS. What would you give for 3 months?

General TOMPKINS. Sir?

Mr. ARENDS. What would you give for 3 months?

General TOMPKINS. We feel other people are able to judge that better than us. We feel they should receive what is necessary for reasonable living during that period.

Mr. ARENDS. You are not prepared to make any recommendation for 3 months?

General TOMPKINS. No, sir.

Mr. ARENDS. Would you give a man with 3 months' service in this country as much as you would give a man serving a year or two in the southwest Pacific?

General TOMPKINS. If it is for the purpose of obtaining employment they should receive the same amount.

Mr. ARENDS. If they serve over 3 months?

General TOMPKINS. Yes, sir.

Mr. ARENDS. So you make no difference between foreign service and service in this country.

General TOMPKINS. That is correct.

Mr. ARENDS. How about the applications for it?

General TOMPKINS. That is for those discharged.

Mr. ARENDS. So there would be no difficulty.

General TOMPKINS. You could arrange all that at the time of discharge.

Mr. ARENDS. There is one difficulty that has been mentioned here; very often, at the time of discharge, you are not able to have the service records available to pay off these men. That is right, is it not?

General TOMPKINS. We propose to do everything possible to have their service records in excellent shape at time of any general demobilization. We propose to commence that while they are still abroad.

Mr. ARENDS. Some of the veterans' organizations complained rather strongly, especially in the case of medical records that are not complete, and it is several months before they are completed and transferred over to the Bureau.

General TOMPKINS. I think that is a current complaint, but I think that has been corrected by stationing Veterans' Administration men in the Army hospitals.

Mr. ARENDS. They have not tried it out in any other hospital.

General TOMPKINS. That is true. They are at Walter Reed.

Mr. ARENDS. They should be completed then.

General TOMPKINS. They should be complete on discharge.

The CHAIRMAN. Pardon me for interrupting. These bills are merely to provide for a small amount of money between discharge and reemployment. The question of completion and correctness of records is not involved. This is merely to tide them over.

General TOMPKINS. I would be glad to say we intend to do everything possible to see to it that they are complete in ample time.

The CHAIRMAN. Nobody doubts that.

Mr. ARENDS. I am not critical, but after the last year there was sometimes 9 months elapsed between the time a claim was put in and action had on it, and I do not think that generally the War Department wants to see that repeated.

General TOMPKINS. No, sir.

Mr. ARENDs. As I understand it you have the opinion that the Air Corps Reserve officer should be eliminated.

General TOMKINS. I think you should consider whether you want to eliminate him or not. We point out these things for your consideration.

Mr. ARENDs. Mr. Chairman, I am not going into the furlough situation. As the General says, one should be exclusive of the other.

The CHAIRMAN. We should determine which one.

General TOMKINS. I understood one was to be exclusive of the other.

Mr. ARENDs. What do you think of setting up demobilization centers and at that time give them a physical examination and permit them to file applications for disabilities that they may have received?

General TOMKINS. That is exactly what we are trying to do in our planning now.

Mr. ARENDs. That these centers have representatives of the Veterans' Bureau and service organizations to advise them of their rights.

General TOMKINS. That is exactly what our plan calls for.

Mr. ARENDs. When they file their applications, does your plan also call for adjudication?

General TOMKINS. Adjudication on what?

Mr. ARENDs. On disabilities?

General TOMKINS. That would be adjudicated by the Veterans' Administration.

Mr. ARENDs. You would provide facilities there at that time.

General TOMKINS. We propose to provide facilities for any agencies that need them to assist veterans, such as the Veterans' Administration, and the Reemployment Division of the Selective Service System and the United States Employment Office, and so forth.

Mr. ARENDs. And you plan to have the medical records available at that time and place.

General TOMKINS. Yes, sir.

Mr. ARENDs. You intend to do that.

General TOMPKINS. Yes, sir; we intend to start work on that as soon as practicable.

Mr. ARENDs. When a man is released, instead of giving him a furlough and have him come back for final adjudication, you think you can do that all at that time.

General TOMPKINS. Yes, sir. However, adjudication may take longer.

Mr. ARENDs. You think you can. That is all.

The CHAIRMAN. Mr. Brooks.

Mr. BROOKS. No questions.

The CHAIRMAN. Mr. Harness.

Mr. HARNESS. No questions.

The CHAIRMAN. Mr. Durham?

Mr. DURHAM. No questions.

The CHAIRMAN. Mr. Fenton.

Mr. FENTON. General, I believe you stated you objected to some phraseology on page 1 regarding the dishonorable discharge provision. Would you give us a little more light on that?

General TOMPKINS. Ordinarily benefits have been limited to those receiving honorable discharges. Under this language they could become eligible under other than honorable conditions. We want to find out whether this is to be limited strictly to those honorably discharged.

Mr. FENTON. Those people who were in the service any length of time and discharged for reasons beyond their control but not dishonorably; why should they not be given pay?

General TOMPKINS. It includes persons discharged for the good of the service, fraudulent enlistment, and persons of that type.

Mr. FENTON. Do you have any opinion considering the length and time of service a man is in the Army?

General TOMPKINS. Our thought was, Mr. Fenton, if this bill which I understand is for the purpose of tiding him over until he can get a job again, that they would all receive the same amount, that the difficulties of getting employment would be the same for all men regardless of length of service, except perhaps if a man should have only had 1 or 2 months' service and had not separated himself so far away from civilian ties. Perhaps he even might have his civilian clothes and could use those.

Mr. FENTON. Then you do think there should be some limitation for a man in the Army 3 months?

General TOMPKINS. We suggest that that might be considered, giving him in one lump sum.

Mr. FENTON. During the last war, \$60 was the maximum and minimum a person received on discharge.

General TOMPKINS. Yes.

Mr. FENTON. A dollar a day for 60 days.

General TOMPKINS. Yes, sir.

Mr. FENTON. Do you suggest the same thing, a dollar a day for 90 days or a hundred days?

General TOMPKINS. Along that line. However, the bill seems adequate.

Mr. FENTON. That is all.

The CHAIRMAN. Mr. Philbin.

Mr. PHILBIN. As I take it, you do not think the length of service or character of service ought to be a yardstick in determining the amount of money.

General TOMPKINS. Not if it is for the purpose of tiding him over. We understand it was a separation pay.

Mr. PHILBIN. What would you think of a combination of these two methods, the furlough and cash payment? First, provide for a 30-day furlough, and at the same time you would give the serviceman a sum of money, and for 2 consecutive months thereafter. What would you think of that?

General TOMPKINS. We would prefer to give him the same amount of money for 3 months after discharge and no furlough.

Mr. PHILBIN. Instead of a furlough.

General TOMPKINS. Yes.

Mr. PHILBIN. You would like to have the payment in three installments.

General TOMPKINS. Yes, sir.

Mr. PHILBIN. Why?

General TOMPKINS. There are a good many administrative difficulties. The Government is responsible for him and would have practically no control. This is rather a new idea, but we do not think the soldier would like that.

The CHAIRMAN. Will the gentleman yield?

Mr. PHILBIN. Yes, sir.

The CHAIRMAN. Would not the very fact he was still on furlough and subject to orders of the Army, make it impossible for him to get a job?

General TOMPKINS. It would make it more difficult. If he had been separated from the service it would be easier.

The CHAIRMAN. Suppose he is furloughed, and given \$100 and with the expectation of getting \$200 more, would not the fact he was still subject to the orders of the Army make it difficult for him to find employment and you would only give him money until he got a job.

General TOMPKINS. You are bringing up the same point. There would be difficulty.

The CHAIRMAN. Suppose he got \$100 and in 15 days had a good job, you would still have him on furlough.

General TOMPKINS. Yes, sir.

Mr. PHILBIN. You would rather give him his discharge.

General TOMPKINS. Yes, sir.

Mr. PHILBIN. And at the time give him \$100.

General TOMPKINS. Yes, sir.

Mr. PHILBIN. And follow it up in 2 consecutive months, with the balance.

General TOMPKINS. Yes, sir.

Mr. PHILBIN. You do not want the furlough idea injected and the length of and character of service because you regard it as immaterial.

General TOMPKINS. That is for you gentlemen to decide.

Mr. BROOKS. Will the gentleman yield?

Mr. PHILBIN. Yes, sir.

Mr. BROOKS. What are you going to do with a sergeant who has been drawing \$175 a month when you oust him with a muster-out pay of \$300 for 3 months? Do you not think you should give him an ample sum to carry him on the basis on which he has been running?

General TOMPKINS. Our thought was the bill was adequate in that respect. All men will have about the same difficulty in getting employment, and therefore the fair thing was to pay the same amount.

Mr. ARENDS. Will the gentleman yield?

Mr. BROOKS. Yes, sir.

Mr. ARENDS. I would say the sergeant might not be desirous of doing that.

Mr. PHILBIN. Would not the idea of giving a furlough enable the Army to control him in order to get his record straight?

General TOMPKINS. No; we expect to have them right.

Mr. PHILBIN. This is not germane, Mr. Chairman, but I would like to ask this question.

The CHAIRMAN. All right.

Mr. PHILBIN. On separation from the service, I understand the Navy has 12 types of discharges. Could you enlighten the committee on the number and different kinds of separations that have been utilized by the Army in this war?

General TOMPKINS. Colonel Partlow?

Colonel PARTLOW. Enlisted men, there are three types of discharge, one the honorable discharge. The other is a blue discharge. They call it a blue discharge by virtue of the type of paper. It is a discharge

neither dishonorable nor honorable. It is given in cases of ineptitude from low mentality when the conduct of the enlisted man has been such as would render his retention in the service undesirable, and things of that nature, and then there is the dishonorable discharge.

As to officers, there is the honorable discharge, and there is a discharge under conditions other than honorable, which is neither honorable nor dishonorable, and then there is a dishonorable separation, which may be a dismissal by sentence of court martial, or in case of resignations, an officer who resigns for the good of the service, although that is not equivalent to dishonorable discharge or dismissal, nevertheless it is not an honorable discharge.

Mr. HARNESS. You have the medical discharge.

Colonel PARTLOW. That is honorable.

Mr. PHILBIN. Do you have different classifications in the honorable discharge like the C. D. D.?

Colonel PARTLOW. They are all honorable discharges. The discharge for physical disability may be honorable, or if a man has served the length of time needed he can be given an honorable discharge or he can be given a discharge for the convenience of the Government.

If his period of service has been honorable he gets an honorable discharge.

Mr. PHILBIN. That would appear on the discharge itself.

Colonel PARTLOW. Yes, on the discharge, the C. D. D., that is the Certificate of Disability Discharge.

The CHAIRMAN. Mr. Harness.

Mr. HARNESS. General, I gather from the answers to our questions that you do oppose the furlough plan of separation.

General TOMPKINS. Mr. Harness, that came up yesterday and I would say we prefer the muster-out pay rather than the furlough.

Mr. HARNESS. I assume you are opposed to it because the Army has no control over the man.

General TOMPKINS. They are responsible and they have no control.

Mr. HARNESS. Had it occurred to you there might be a discrimination in the payment under the furlough plan, for instance, the sergeant who draws \$175 and the private only \$50? The purpose is to give him enough money to get a job. It may be just as difficult for a fellow drawing \$200 a month to get a job as for the fellow drawing \$50, and vice versa.

General TOMPKINS. That is our view; yes.

Mr. HARNESS. Have you ever thought of a proposal that might pay the same amount, \$50 a month for a period of 6 months after discharge?

General TOMPKINS. Well, what is the essential difference in that on this particular bill providing \$100 per month for 3 months?

Mr. HARNESS. That is what they are trying to do.

General TOMPKINS. In the Army he gets in addition to his \$50 his food, shelter, and clothing.

Mr. HARNESS. That is true.

If you assume it will take at least 6 months for industry to get back into civilian production, if you tide these men over for 6 months you will be accomplishing your objective.

General TOMPKINS. We understood this bill was to be supported by another bill providing for unemployment insurance.

Mr. HARNESS. You understood that?

General TOMPKINS. Yes; I thought the bill had been already introduced.

Mr. HARNESS. I thought we were considering this on its merits, and not in conjunction with some other bill.

The CHAIRMAN. That is right.

Mr. HARNESS. I see no reason to pass this if we go on with another in 6 months.

The CHAIRMAN. The Chair agrees with you.

Mr. HARNESS. I just wonder if you have given any consideration to the payment of \$50 a month for 6 months, and if your objection is you do not have control you can discharge them and continue their pay for 6 months.

General TOMPKINS. That is one solution.

Mr. HARNESS. That would not be such a tremendous administrative problem.

General TOMPKINS. No, sir; you could do that.

The CHAIRMAN. In other words, the man goes out of the Army and receives pay of \$50 for 6 months?

Mr. HARNESS. That is right.

Mr. PHILBIN. Then do I understand the payments made under this bill will be made by the War Department or the Veterans' Administration?

Mr. HARNESS. I assume the services themselves would make payment.

The CHAIRMAN. Except as to insurance and compensation for injuries.

All right; is that all, Mr. Harness?

Mr. HARNESS. What do you think of that, General?

General TOMPKINS. We feel the amount of compensation and the length of the period over which it should be paid should be decided on other advice than the War Department's.

Mr. HARNESS. I am not so much speaking of the amount but I am the proposal to extend this over a period of 6 months based on the base pay of a private.

General TOMPKINS. Instead of 3 months.

Mr. HARNESS. Yes, sir.

General TOMPKINS. You may decide that policy will accomplish as much as the other. I really would not care to express an opinion on that, Mr. Harness.

Mr. HARNESS. You do not see any real objection to it.

General TOMPKINS. No, sir.

Mr. HARNESS. If such a plan is adopted, do you not think it should be granted to a man who has done 90 days' service, as much as to one who has had overseas service?

General TOMPKINS. We feel that it is a good idea to do so, but after 3 months the difficulties of finding employment may be just as great for a man who has had only 3 months' service as for a man who has had 2 years' service or 1 year.

Mr. HARNESS. But the thing I have in mind, the man who has served only 10 weeks, and 2 weeks or a month perhaps of that time has been in a hospital somewhere, I am just wondering if it would be fair.

General TOMPKINS. I suggest in this presentation to give consideration to giving a smaller amount in one lump sum.

Mr. HARNESS. Yet, when there are millions of men discharged, they may have as much difficulty.

General TOMPKINS. Yes, sir.

Mr. HARNESS. You have made your recommendations.

General TOMPKINS. Yes; I agree with the general purposes of the bill to pay the men the same amount.

Mr. HARNESS. That is all.

The CHAIRMAN. Mr. Stewart.

Mr. STEWART. I want to ask the colonel about the discharges.

You said one of low mentality received a blue discharge.

Colonel PARTLOW. A man that cannot be utilized or is a misfit, whose conduct also does not warrant retention in the service.

Mr. STEWART. That is after he is in the Army.

Colonel PARTLOW. Yes, sir.

Mr. STEWART. Do you not think it is the Government's responsibility for accepting a man of low mentality?

Colonel PARTLOW. My own opinion?

Mr. STEWART. Yes.

Colonel PARTLOW. We have standards. We try not to take a man unless we can utilize him but in many cases I presume they are unable to discover that in the examination that is given.

Mr. STEWART. Do you not have a great many that are not used in combat service and in all probability will not be used in combat service due to low mentality?

Colonel PARTLOW. Of course, no man is used in combat service unless he is fit for it. We have a number of limited-service men who will not be used in combat.

Mr. STEWART. You only send such soldiers to combat as those commanding the foreign theaters ask for.

Colonel PARTLOW. Yes; we are governed by the needs of the theater commanders.

Mr. STEWART. And you have accumulated quite a group of certain types not needed for combat.

Colonel PARTLOW. Limited service personnel are used to some extent. What group is it you are referring to?

Mr. STEWART. Not on combat duty.

Colonel PARTLOW. There again, you have many combat soldiers on duty in the continental United States. The men who are sent away are deemed the best to be utilized.

Mr. STEWART. The thing I have in mind is the misfits and low-mentality.

The CHAIRMAN. Is that all, Mr. Stewart?

Mr. STEWART. Yes, sir.

Mr. FENTON. At that point, regarding these blue discharges, you have no objection to a man getting this payment. He is certainly entitled to some consideration.

Colonel PARTLOW. My personal opinion is that the prerequisite for the receipt of pay be honorable service, regardless of what form or what clerical method is used in separating the man, the prerequisite we think should be honorable service in order to be entitled to compensation.

Mr. FENTON. This ineptitude, does it mean some indiscretion or does it mean his mentality is such he cannot adapt himself?

Colonel PARTLOW. An honorable discharge is given to an inept person when it is determined that his conduct would warrant his retention in the service were it not for his ineptitude or lack of adaptability.

Mr. FENTON. If he cannot adapt himself that is not dishonorable.
Colonel PARTLOW. No.

Mr. FENTON. Nor does that type of person have to have a medical examination to be discharged. Have the Army officers the power to discharge him?

Colonel PARTLOW. They are each given a medical examination before discharge. It would depend.

Mr. JOHNSON. This will apply to everybody except the man who gets a dishonorable discharge.

Colonel PARTLOW. Yes.

Mr. JOHNSON. This would include the blue discharges.

Colonel PARTLOW. Yes.

General TOMPKINS. I pointed out that was a different method of approach than Congress had followed. We pointed out it would make eligible persons who had resigned for the good of the service.

Mr. FENTON. A fellow who commits some indiscretion.

General TOMPKINS. We could probably get a break-down of that for you.

Colonel PARTLOW. An officer may have conducted himself in such a manner that he is no longer fit to command, although he has not committed any offense appropriate to be punished by court martial, nevertheless rather than face a court martial he will submit his resignation. His resignation may be accepted under conditions other than honorable.

The CHAIRMAN. I think you have made that very clear in your first statement. This is mustering-out pay.

Mr. JOHNSON. Does the Army have any plan of demobilization that might consider demobilizing those who had been in the longest first?

General TOMPKINS. The Army has not reached any conclusion on that.

Mr. JOHNSON. In the last war the minimum and maximum was \$60. Those at home got out first and those overseas found it harder to get work when they were mustered out.

General TOMPKINS. The War Department is considering that now.

Mr. JOHNSON. Are they considering it from the point of view of the man in longest getting out first?

General TOMPKINS. Yes, sir.

Mr. JOHNSON. Would it be proper to make any difference in the amount that should this bill provide one lump sum for anybody who has been in the service a very short time?

General TOMPKINS. The theory about the bill is all men would have the same difficulty in obtaining employment. Therefore, they should receive the same, except possibly men of very short service.

Mr. JOHNSON. I do not know that I got your point about the civil service.

General TOMPKINS. Those men's positions are guaranteed by law.

Mr. JOHNSON. Is that not also true of men working with large utilities?

General TOMPKINS. Yes; if the job is still there.

Mr. JOHNSON. Do you go so far as to eliminate that?

General TOMPKINS. We brought that to your attention so you could give it consideration.

Mr. JOHNSON. Do you care to make any comment or do you think it is not proper to do so?

General TOMPKINS. No, sir; I do not care to make any comment about it.

Mr. JOHNSON. I did not quite get that point about the Air Corps officer getting \$500 lump sum on discharge.

General TOMPKINS. That is right. In the case of an Air Corps Reserve officer, he is entitled to a lump sum payment of \$500 in addition to his pay and allowances under the act of June 16, 1936, 49 Stat. 1524, after the completion of 3 years' service. We simply bring to your attention the fact that they receive that allowance.

Mr. JOHNSON. That group would get \$800 if this law is enacted.

General TOMPKINS. If they have 3 years' service they will get the \$500. You may wish to do that or you may not.

The CHAIRMAN. Mr. Dimond.

Mr. DIMOND. General, assuming the mustering out pay for a man who has been in the service only a short time is fixed at \$150, would you still be in favor of dividing that up in payments or payment of one lump sum?

General TOMPKINS. We suggested to simplify the matter to give it to the man in a lump sum.

Mr. DIMOND. When a man is separated from the service he has to buy clothes.

General TOMPKINS. He has certain personal expenses and he needs a few days to get settled at least, so he should receive something.

Mr. DIMOND. I wish to ask you a question about this discharge other than honorable.

If the bill is changed so that that class will not receive the benefits, is it not a fact that mustering-out pay will almost in every case be denied to those who are discharged by reason of some mental insufficiency?

General TOMPKINS. Perhaps Colonel Partlow can answer that.

Colonel PARTLOW. Section 8 of Army Regulations 615-360 provides that blue discharges will be given to mentally insufficient persons whose conduct also does not warrant their retention in the service.

General TOMPKINS. I suggest they give consideration to that.

Colonel PARTLOW. An honorable discharge will be given only when the conduct of the enlisted man has been such as to render his retention desirable. Such a discharge certificate would show reenlistment is not warranted, although it would be an honorable discharge if his conduct had been good.

Mr. DIMOND. Then what would be the answer to my question? Would not that deny the money to a man with a blue discharge?

General TOMPKINS. My answer is if his conduct was good he would not get a blue discharge—if his service and conduct was good.

The CHAIRMAN. Mr. Durham.

Mr. DURHAM. Does the War Department feel that this is the proper time for this legislation?

General TOMPKINS. Yes; we think it would be a good time to issue it, because it would let the soldiers know you are thinking of them.

Mr. DURHAM. Is not the predominant thing to get the disabled attended to?

General TOMPKINS. This bill is designed principally as a means on general or partial demobilization to meet the difficulties of employment.

Mr. DURHAM. Those being mustered out now certainly do not have trouble finding jobs.

General TOMPKINS. I mentioned that in my statement.

Mr. DURHAM. Why do you specifically state you would like to have the legislation at this time?

General TOMPKINS. Because of the morale factor on the troops abroad. It would be a good thing to have them know the Government is interested in them getting employment.

Mr. JOHNSON. Mr. Chairman, I wonder if we could get the list of discharges placed in the record?

General TOMPKINS. Yes; we can supply that.

(The list of the various discharges issued by the Army are as follows:)

TYPES OF SEPARATION FROM SERVICE IN THE ARMY

There are three types of discharges for enlisted men of the Army of the United States as follows:

1. Honorable discharge for those persons whose character is excellent, very good, or good.

2. Blue discharge for those whose character is fair or poor.

3. Dishonorable discharge, which requires no notation as to character.

Because of the far-reaching effect of the character given on discharge on an enlisted man's future life in the Army or in applying for civilian employment after leaving the service, Army Regulations require that the character given on discharge will be determined after thorough consideration of the man's character as a man, his conduct, and the quality of service rendered by him during his period of military service. The defacing of a discharge certificate by writing thereon to the discredit of the character of the enlisted man, after the same has been given by his company or detachment commander, is prohibited.

Character of less merit than indicated by "good" is given under the provisions of specific Army Regulations. For example: A blue discharge, with character indicated as fair or poor, is given to those persons who fraudulently enlist and to those persons who possess undesirable habits or traits of character.

Persons discharged solely by reason of disability, minority, or dependency, or for the convenience of the Government, are given honorable discharges. Persons discharged for inaptness are given honorable discharges provided their conduct during the period of service of the person concerned would render their retention in the service desirable if it were not for their inaptitude or lack of required adaptability for military service. Enlisted men discharged for desertion or by reason of conviction by a civil court are given blue discharges. Persons discharged solely by virtue of writ of habeas corpus are given honorable discharges as distinguished from persons who were illegally inducted and released pursuant to the judgment of a civil court, to whom no formal discharges are given.

Officers may be separated from the service by honorable discharge, resignation, or dismissal, or by discharge.

The dismissal of an officer is equivalent to dishonorable discharge. A resignation for the good of the service or one accepted under other than honorable conditions is not considered an honorable separation.

Resignations for the good of the service, while not equivalent to dishonorable discharge or dismissal, or a discharge not under honorable conditions, are very similar in effect to such separations. Such resignations, as well as those accepted under conditions other than honorable are accepted in those cases where the person concerned has been guilty of reprehensible conduct which is not of such a nature as to warrant trial by court martial.

Mr. FENTON. Mr. Chairman.

The CHAIRMAN. Mr. Fenton.

Mr. FENTON Much has been said about getting jobs, and that is true. Therefore, I think this \$50 a month thing would be entirely out of place. I think the bill as drawn is good and I personally know in our section a man would have to go to a metropolitan area to get a

job and therefore I cannot concur in the assumption a man can pick up a job at home right off the bat.

General TOMPKINS. I do not feel we should decide on the amount to be paid each month. We feel there are other people more expert than we are. We feel it should be sufficient to take care of their needs until they find a job.

Mr. HARNESS. Will the gentleman yield?

Mr. FENTON. Yes, sir.

Mr. HARNESS. I do not want the record to show I was advocating any particular amount.

The CHAIRMAN. Mr. Brooks, will you take the chair? I have a long-distance call. When I return I shall want to ask the general some questions.

Mr. BROOKS. General, may I ask a couple of questions?

General TOMPKINS. Yes, sir.

Mr. BROOKS. Some of us are concerned in the need of these veterans after they finish their service. Mr. Arends has mentioned the fact that most of the men being discharged are those that are disabled. By simply giving them a lump sum for 90 days we are not helping them.

General TOMPKINS. If they are disabled, they are taken care of under the applicable act.

Mr. BROOKS. So the primary thing in discharging a disabled veteran is to get his veteran's rights established and established quickly.

General TOMPKINS. Yes, sir.

Mr. BROOKS. And as I understand your previous testimony, you are working on that and trying to assemble those facilities as quickly as you can.

General TOMPKINS. Yes, sir.

Mr. BROOKS. Mr. Philbin.

Mr. PHILBIN. You stated you wanted this legislation for the purposes of morale.

General TOMPKINS. Yes. The War Department did not submit this, but inasmuch as it has been introduced, we think it is a good thing to have it now.

Mr. PHILBIN. And undoubtedly you also have in mind the boys in such condition they cannot take care of themselves, that there has been some real need due to the fact they have not been able to get action from the Veterans' Bureau.

General TOMPKINS. That is a current problem that is being given attention.

Mr. PHILBIN. It is a problem.

General TOMPKINS. It is a problem, but it seems it should be easily solved.

Mr. PHILBIN. This bill, if enacted, would be of some help and benefit to that class?

General TOMPKINS. Yes, sir.

Mr. BROOKS. Do you think a man who has incipient tuberculosis contracted in Europe should be received at the demobilization center and his claim passed upon?

General TOMPKINS. If seriously ill, he would be kept in the hospital.

Mr. BROOKS. Suppose he has not been hospitalized?

General TOMPKINS. I do not quite get your point on that.

Mr. BROOKS. Suppose a man comes back with a latent disease, would you be in position to turn him over to the Bureau and have his claim immediately adjudicated?

General TOMPKINS. As far as the War Department is concerned, we would have the demobilization facilities for any agency that wished to use them.

Mr. BROOKS. Under the order issued by General Ullo setting up this arrangement, is that contemplated?

General TOMPKINS. That has already been issued. That would continue in effect.

Mr. BROOKS. Mr. Winstead?

Mr. WINSTEAD. No question.

The CHAIRMAN. General, you of course know, like this committee knows, that industry in this country is cutting down gradually now, that is, the war industries. You know also that employment is available now to nearly anybody that wants to be employed.

Is not the greatest problem going to be when the war closes or the major part of it is finished, they will shut down rapidly?

General TOMPKINS. Yes, sir.

The CHAIRMAN. Therefore it is easier to get employment now.

General TOMPKINS. Yes, sir.

The CHAIRMAN. What is your reaction as to the group already discharged, some 600,000, as to their reemployment?

General TOMPKINS. We think you should decide that.

The CHAIRMAN. You still believe Congress can decide something.

General TOMPKINS. Yes; you can get lucrative employment fairly easily now. There has been no difficulty at all up to the present, but the conditions on partial demobilization will be different.

The CHAIRMAN. What do you think about confining legislation of this character to the enlisted man strictly, rather to any officers?

General TOMPKINS. The War Department would have no strong objection. However, the lieutenants and captains are mostly young men and many come up from the ranks. They probably would have similar difficulty in securing employment. I think they have somewhat greater opportunities to save than the enlisted men. It is a question where you decide to draw the line.

The CHAIRMAN. In other words, the salaries and compensation of men in the Army, as they become second lieutenants, they can save more and as they become first lieutenants they can save more, and a captain gets considerable pay.

General TOMPKINS. Yes.

The CHAIRMAN. And he could save more.

General TOMPKINS. Yes, sir.

The CHAIRMAN. It is just the interval between discharge and getting a job. These men will all be back in later years for a bonus like we had once before, and it leads me to this question, do you know the average of the payments made to veterans under the Patman bill?

Mr. ODUM. Perhaps I can answer that better, Mr. Chairman.

The CHAIRMAN. Mr. Odum.

Mr. ODUM. It provided for \$1 a day in the United States and \$1.20 each day in foreign service, with a maximum of \$500 for the one and \$625 for the other.

There was added to that 25 percent to cover the interest which had not been paid in the interim between the close of the war and the enactment of the bill, which was about 7 years.

Then with that credit they figured a 20-year paid-up insurance policy based upon the attained age of the man at the time he filed his application, and that gave a policy presumably payable in 20 years or on the death of the policyholder. The maximum for the younger men was a little less than \$1,600. The average policy was a little less than \$1,000.

In the statement which General Hines filed yesterday you will find the sum total of what has been paid out under that act to date.

Mr. FENTON. General, it has come to my attention some of those certificates of discharge of men in the African campaign and in the Sicilian campaign under the notation on the back of the discharge, "Battles, engagements, skirmishes, and so forth," there is nothing noted of their having been in those battles, skirmishes, and engagements. I bring this up because inquiry is often made about it in attempting to get disability compensation and it is noted they were in the battles.

General TOMPKINS. I would like to give you that a little later, unless you can answer it, Colonel Partlow.

Mr. FENTON. The Army issued the discharge and did not note on the discharge the battles they have been in.

Mr. ODUM. When a claim is filed, we secure from the War Department not only the medical record but the service record so far as the nature of the man's services, whether honorable or not.

Mr. JOHNSON. On the back of the discharge it says, engagements and battles, and some of the surgeon's discharges do not contain that. The only point he is making is why are they not put on there? We feel it ought to go on the record.

Colonel PARTLOW. It is purely an administrative action.

Mr. JOHNSON. One other thing that is going to happen in this war, it happened in the last war. A man receives a citation sometimes, and when they present themselves to be discharged, the discharges given them carry no notation of it. There is a place on the discharge for that.

The CHAIRMAN. That is only a question of administration in the War Department. When this committee writes the legislation it will either write it for everybody or restrict it to those honorably discharged.

Mr. JOHNSON. I withdraw my question.

Mr. FENTON. That discharge is used as evidence in adjudicating claims.

The CHAIRMAN. Who is going to give that discharge? The Army. We will say if we can allow a man with an honorable discharge or any kind of discharge benefits. That is material on this. This is mustering-out pay.

Mr. BROOKS. I understand there are different viewpoints.

The CHAIRMAN. I understand his viewpoint. The information he wants he can get from the War Department.

Mr. FENTON. It is not the kind of discharge but the notation of battles and service, and that kind of thing, so that they can show that they were in the service, that those engagements and battles may have aggravated a condition which existed prior to enlistment.

The CHAIRMAN. That is all right for the basis for a claim for compensation allowances and things of that kind.

Thank you, General.

The CHAIRMAN. The next witness we have is Capt. T. H. Hederman, Bureau of Naval Personnel, United States Navy.

**STATEMENT OF CAPT. T. H. HEDERMAN, UNITED STATES NAVY,
BUREAU OF NAVAL PERSONNEL, WASHINGTON, D. C.**

Captain HEDERMAN. I might say in the beginning that the views of the Navy Department on this legislation have not had the clearance of the Bureau of the Budget. Therefore the views that I am giving this morning are the views of my own Bureau, which is presided over by Rear Admiral Jacobs, and not necessarily the views of the Navy Department.

I was asked by the War Department to present to the committee any corrections or differences which might occur to the Navy Department in the statement that General Tompkins has given you this morning. I had the opportunity to go over that statement before he presented it and to discuss it with my superiors, and in conclusion I might say that the Bureau of Naval Personnel, which is an integral part of the Navy Department, fully concurs in what General Tompkins has presented this morning.

In addition, there have been a couple of recent matters which have occurred to some of our officers, and for the matter of the record I should like to read them. There are a couple of situations that have not been presented, and I would like to have them as a matter of record.

The CHAIRMAN. All right.

Captain HEDERMAN. The last proviso in section 1—

The CHAIRMAN. Which bill?

Captain HEDERMAN. H. R. 3799. The last proviso of section 1 of that bill provides that mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or release from active duty, shall be eligible for placement on the retired list.

The Naval Reserve Act of 1938 provides for the placing of officers of the Naval Reserve on the honorary retired list "without pay or allowances." It is assumed that this provision intended to deny the mustering-out pay only to those who are placed on the retired list under laws which make them eligible for retired pay. If this assumption is correct, it is suggested that the bill be amended to provide for denying the mustering-out pay to those eligible for placement on the retired list with retired pay.

It should also be pointed out that under the provisions of the act of August 27, 1940, Public Law 775, Seventy-sixth Congress, members of the Naval Reserve or Marine Corps Reserve who are called or ordered to active service for periods in excess of 30 days, who suffer disability

in the line of duty or from disease or injury, are entitled to receive the same retirement pay among other benefits as now or may hereafter be provided by law or regulation for members of corresponding grades in the Regular Navy or Marine Corps.

At the time such members are released from active duty it will not be possible to determine if they might later be found eligible for retirement with retired pay because of a disability incurred while in active service. Since the determination of eligibility for retirement will not be always definitely known at the time of release from active duty, this provision will involve complications in determining settlement of mustering-out pay at time of release from active duty.

If, for example, the mustering-out pay is paid to the individual and he or she is subsequently placed on the retired list with retired pay under the provisions of the act of August 27, 1940, there would be no entitlement to the payment previously made.

The CHAIRMAN. Captain, let me ask you this, Does not that last proviso in section 1 prohibit the paying of the money to those who have been relieved from active duty and eligible for placement on the retired list?

Captain HEDERMAN. Yes, it does, but I think the intention was to deprive them from the benefits of this bill, those who were going to definitely receive retirement pay. A man may be eligible for an honorary retirement and thus be retired without retirement pay.

Mr. PHILBIN. You want that to be excluded from this act.

Captain HEDERMAN. Yes, sir.

The CHAIRMAN. Why would they not be entitled to retired pay if they had been in the service long enough?

Captain HEDERMAN. We have a Navy law where some people in the Naval Reserve can be placed on the honorary retired list. They are placed on the honorary retired list and do not get any pay.

The CHAIRMAN. No pay?

Captain HEDERMAN. No pay. This should be amended to provide those to be excluded are only those who receive retirement pay.

The CHAIRMAN. The WAVES are included in the bill?

Captain HEDERMAN. Yes, sir.

The CHAIRMAN. Any questions?

Mr. BROOKS. Do you speak for the Marine Corps and Coast Guard?

Captain HEDERMAN. I may be able to do it.

Mr. BROOKS. Are there any particular features about the organization of the Marine Corps and the Coast Guard that would need special attention in a bill like this?

Captain HEDERMAN. No, sir; not from what we have been able to discover.

Mr. BROOKS. It would apply to both the Coast Guard and Marine Corps.

Captain HEDERMAN. Yes, sir.

The CHAIRMAN. Thank you very much, sir. We have a few minutes, and we want to go into executive session. I think I should make an inquiry of Mr. Odom.

You are the Solicitor for the Veterans' Administration. Do you want to make further statement?

Mr. ODOM. No, sir; except that I just had a thought in passing when the captain spoke of retired pay, we did have in our mind why the bill should exclude those who are not receiving retirement pay.

Mr. BROOKS. Is there any trouble getting the medical record of these veterans at date of discharge, of ones not in the hospital?

Mr. ODOM. If a man has been discharged and not in the hospital, I think it would hardly be possible for the Army or Navy to make a record on date of discharge.

Mr. BROOKS. Unless you give him some sort of furlough, you can not possibly have the medical record available.

Mr. ODOM. Your question is directed to this, unless you give him something—

Mr. BROOKS. My interest is in seeing that the disabled are attended to at the date of discharge.

Mr. ODOM. I want to point out that can never be made available until the end of 30 days because compensation is not payable in advance.

Mr. HARNESS. There may be some discrimination and if we exclude those persons who would be retired with some pay and still pay to those others who would draw compensation or pensions.

Mr. ODOM (interposing). That was just a thought in passing.

Mr. HARNESS. In other words, you might have a sergeant with years of service and retire with retirement pay while another sergeant would be retired and not get nearly so much.

Mr. ODOM. Assuming, under the law as it is at the present time, that sergeant may elect which he receives.

The CHAIRMAN. He is likely to take the largest.

Mr. ODOM. They usually do.

Mr. HARNESS. Do you think there should be any discrimination?

Mr. ODOM. I just raised the question, and I should perhaps have pointed out that undoubtedly those who drafted that in the bill had in mind that the service departments would know in most instances when a person is going to be retired, but they will not know when he is going to be pensioned.

The CHAIRMAN. Thank you very much.

Let the committee go into executive session, please.

(Whereupon at 12 m., the committee proceeded in executive session, at the conclusion of which an adjournment was taken subject to the call of the chairman.)

(The following was submitted for the record:)

THE AMERICAN LEGION,
Washington, D. C., December 8, 1943.

Hon. ANDREW J. MAY,

Chairman, Committee on Military Affairs,

House of Representatives, Washington, D. C.

DEAR MR. MAY: The American Legion endorses the principle of mustering-out pay as incorporated in the Barkley-May bill. In that connection, I enclose herewith a statement of National Commander Warren H. Atherton of the American Legion when he appeared before the Senate Committee on Military Affairs to testify in favor of such legislation on December 1, 1943.

I might say, however, that the American Legion endorses the principle outlined in section 2 of H. R. 3742, that is, basing the mustering-out pay somewhat on

term of active service. Otherwise, the ex-service man or woman with only a few days' service would receive the same amount as the ex-service person with months of service to his credit.

Because of my inability to appear in person, I shall appreciate it if you will include my letter with enclosure as part of the hearings.

Sincerely yours,

F. M. SULLIVAN,
Executive Director, National Legislative Committee.

STATEMENT OF NATIONAL COMMANDER WARREN H. ATHERTON BEFORE THE SENATE COMMITTEE ON MILITARY AFFAIRS ON BARKLEY-MAY MUSTERING-OUT PAY BILL, DECEMBER 1, 1943

Mr. Chairman and members of the committee, it is indeed a happy privilege for me to appear before you today in support of the principle of mustering-out pay as incorporated in the Barkley-May bill. This proposition has been under study by the American Legion for the past year and one-half. We of the Legion were very pleased when the commander in chief on November 25, last, sent a message to Congress, recommending passage of such legislation.

It is only part of a general over-all demobilization, rehabilitation, and placement program which the Legion has been considering. The members of the American Legion, numbering 1,169,409, and all veterans of World War I, have had experience with the drastic transition from war to peacetime pursuits. We know that such mustering-out pay, as is incorporated in the proposal before you, would prove of inestimable benefit to the members of the armed forces in World War II. This, coupled with unemployment compensation, would materially assist returning war veterans.

While this proposal is but the first phase of the Legion's post-war program, members of our organization feel that it is an important and timely piece of legislation because of the large number of men being discharged daily at this time—approximately 8,000 a week.

As the members of this Senate Military Affairs Committee well know, the American Legion has been in the forefront since its very inception for an adequate national defense; the preservation of our American way of life; the care and rehabilitation of disabled veterans and their dependents; and child welfare. Our organization's advocacy of these programs is naturally based upon experience during war, and in business, labor, and professional pursuits. The morale of the people in and out of uniform is essential in every respect, and the Legion supported all measures designed to build confidence of troops and citizens alike in a cause for which our Nation fights. This Barkley-May bill likewise provides a big element of faith and morale for the returning armed forces.

I have mentioned that the Legion has given and is giving consideration to a general over-all demobilization, rehabilitation, and placement post-war plan.

Briefly, the second phase of this plan has to do with adequate facilities and machinery for the repair, restoration, and rehabilitation of those handicapped because of their experiences in this war. The central agency for this purpose is one that was born out of the last war and has grown to extensive proportions. I refer to the Veterans' Administration.

It is well known to most of you gentlemen that Congress created the Veterans' Bureau upon the findings and experience of several bureaus and commissions which attempted to function after the close of the last war. In every enactment which enlarged upon this agency and the laws which it administers, the records will show the part played by the American Legion. From one central agency in Washington this enterprise has grown to one with headquarters in the Capital City and 93 branches with 79,562 hospital and domiciliary beds. The set-up is something the veterans of World War I did not have upon their demobilization. Congress has charged the Veterans' Administration with the responsibility of providing compensation, insurance, hospitalization, and vocational rehabilitation training and placement of service-connected veterans. We of the Legion feel that all veterans' benefits should be administered through this fine agency.

Perhaps the most important subject for consideration of the Congress is that of returning discharged veterans to useful employment. The Barkley-May bill

provides a period for readjustment, after which there must be provided unemployment compensation benefits over a sufficient period of time to assure gainful employment to all returning veterans able to work, and, of course, this program must be a Federal responsibility. The American Legion has adopted a definite program, calling first for orderly demobilization, bearing in mind the character and length of service, the hardship cases of the family man and those with dependents.

I realize, of course, that many of these proposals will not come before your committee, but I feel certain you would want to know something about our organization's post-war planning. The American Legion within a short time intends to have bills introduced and is prepared to give testimony, based on extensive studies, on the separate phases of this program as they come before the Congress for consideration.

I want to thank the chairman and members of the committee for this opportunity to appear before you.

MUSTERING-OUT PAY

FRIDAY, DECEMBER 10, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C.

The committee met at 10 a. m., Hon. Andrew J. May, chairman, presiding.

The CHAIRMAN. The committee will please be in order.

Gentlemen of the committee, we allotted this morning to Members of Congress to be heard on the pending measures. We have an additional witness, Col. E. L. Gardner, of the State of Indiana, who would like to be heard. But he says that it may take him an hour or more. In view of that, I think we will first hear some of our colleagues who have committee engagements.

I would like to say that the issue involved here is merely the matter of mustering-out pay or discharge pay. That is a direct and simple issue, and I hope you gentlemen who testify this morning will confine your statements as nearly as possible to the bills under consideration, which are H. R. 3742 and H. R. 3799. Mr. Lemke.

STATEMENT OF HON. WILLIAM LEMKE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH DAKOTA

Mr. LEMKE. Mr. Chairman and members of the committee, the reason I asked to appear before this committee is because the bills under consideration by the committee deal with one paragraph in a bill that I have introduced for the rehabilitation of the veterans, being bill No. 3751. Since this deals with one paragraph, I would like to comment on that paragraph, and for that reason last night I introduced a bill, which is known as H. R. 3822, which I do not expect or ask this committee to substitute for the committee's bill or the May bill, but I do suggest that they take paragraph 2 out of that bill and substitute it for paragraph 2 of the May bill.

Mr. HARNESS. Which bill? We have two before us.

Mr. LEMKE. I mean H. R. 3799, which I understand the committee is considering.

Section 2 of the bill that I introduced—3822—I ask to be transferred to section 2 of H. R. 3799. Or, if the committee reports out your other bill, H. R. 3742, then it can be substituted for section 2 of that bill. It can be substituted for either.

The CHAIRMAN. All right. You may proceed.

Mr. LEMKE. I would suggest in the May bill that you change the date from December 7, 1941, to October 16, 1940, for the reason that that

was registration day; and that any person who either enlisted or was inducted into the Army was there for the purpose of this war.

I will read section 2 as I propose to have it substituted.

The Secretary of War and the Secretary of the Navy are hereby directed and authorized to pay \$100 as mustering-out pay and to continue the regular pay to any veteran, as herein defined, that has been or may hereafter be honorably discharged from the armed forces, as follows: A veteran who has served for less than 3 months, for an additional 3 months; one who has served for less than 6 months, but more than 3 months, for an additional 6 months; one who has served for less than 9 months, but more than 6 months, for an additional 9 months; one who has served 9 months or more, for an additional 12 months.

Now, my reason for making that addition is because the veteran taken from home for 3 months—his business affiliations and connections are not so much dislocated as one who has been away from home longer, especially one who has been out for 9 months or more and been in foreign lands. His nervous system is shocked and with what he has gone through it will take him longer to readjust himself to the life that the Government interrupted.

The CHAIRMAN. Pardon me for interrupting you. Your bill, H. R. 3822, has not been referred to the committee yet. Do you have a printed copy of the section that you just read?

Mr. LEMKE. Yes; I have several copies here. I call attention to section 2.

Mr. HARNESS. Your proposition is to continue the pay of these men who are discharged, for that period of time?

Mr. LEMKE. For that period of time after discharge.

Mr. HARNESS. How much pay?

Mr. LEMKE. Their regular pay.

Mr. HARNESS. Isn't that a discrimination among the sergeants and corporals and privates? A sergeant may be getting \$175 a month for a year, while a private is continued for a year at \$50 a month.

Mr. LEMKE. Yes; but that discrimination has already been made by the Army and the Navy, and I didn't think we should disarrange it. I put a limitation in that anyone getting more than \$5,000 should not come under the bill at all.

The CHAIRMAN. Your bill is to continue their pay in the respective ranks?

Mr. LEMKE. Yes.

Mr. HARNESS. In that connection, do you think it would take a sergeant any longer to rehabilitate himself than it would a private, and do you think that he would require more money than a private?

Mr. LEMKE. This is not a rehabilitation bill.

Mr. HARNESS. I thought that was what you said.

Mr. LEMKE. No. The first veterans' bill that I introduced is for rehabilitation. This is simply to give him an opportunity to get back into civilian life again. My rehabilitation bill goes further and provides for means of getting the individual into private industry.

Mr. HARNESS. Do you think it will require a sergeant any more money to get a job and reestablish himself than a private?

Mr. LEMKE. It may and it may not. It depends upon how active he has been and how much he has been trained and how much more responsibility he has had.

Mr. HARNESS. Say that they have both been in Guadalcanal in the Solomons and that both of them have had the same amount of serv-

ice, 18 months overseas service. Is it going to take longer, or do you want to pay the sergeant any more money to get himself reestablished than the private?

Mr. LEMKE. I would state to you frankly that that is for the committee to determine. But I did not and do not feel that I am sufficiently qualified to disarrange the pay schedule that the Government itself has set up.

You may consider that, according to the value of a man or his ability. It will take some people longer and require more money than others because of their station in life or their habit of life. I would not like to discriminate between them.

Mr. HARNESS. But this is not a rehabilitation bill?

Mr. LEMKE. No.

Mr. HARNESS. And this is not an adjusted-service bill. This is merely a proposal to pay these boys enough money so that they can readjust themselves when they get back home, and to find jobs. Now, is it going to take any more money for one person than another? Are you going to discriminate between them?

Mr. LEMKE. It may take more. I am not discriminating against the individual. Some individuals can get a job a great deal quicker because they are more qualified than others. It may take others a great deal longer. But, as far as I am concerned, I am still in favor of at least continuing them on pay.

If you wish to strike a medium between the sergeant's and the private's pay, I haven't any objection to that. But I feel that the difference in pay has already been made and established by the Army, and I don't propose to interfere with it. But if the committee differs with me on that point, that is only a slight difference.

Mr. HARNESS. I see your point.

Mr. LEMKE. Yes. That is only a slight difference as far as I am concerned.

It occurs to me in the bill that you have you might strike a medium and pay so much for each grade. But I would not make it less than a private's pay. I think that that should be the limitation.

Mr. JOHNSON. You think it should be limited to a private's pay rather than according to rank?

Mr. LEMKE. I just took it roughly as it is at the present time. Then I have a limitation stating that all getting over \$5,000 shall not come in.

Mr. JOHNSON. Your limitation is five thousand?

Mr. LEMKE. Yes. That any officer that gets over five thousand is not in this bill.

Mr. JOHNSON. Even brigadier generals?

Mr. LEMKE. Yes. But most of those won't be discharged.

Mr. JOHNSON. A great many of them will be discharged.

Mr. LEMKE. As far as my bill, H. R. 3751, on rehabilitation is concerned, they get a paid-up life insurance policy. It treats them all alike; makes no difference between them.

The CHAIRMAN. I think we should confine this discussion strictly to mustering-out pay, please.

Mr. LEMKE. Yes. And that is what I suggest.

The CHAIRMAN. That is what you are doing? You are confining it to that?

Mr. LEMKE. Yes.

I would suggest to the committee, if the committee feels that you should not make a difference between ranks, I will not object to that. But I do feel that you should at least make a difference as to their time of service and the opportunity to rehabilitate themselves.

The CHAIRMAN. In other words, you believe that length of service ought to be an element in determining the amount that is to be paid?

Mr. LEMKE. Yes. And I would like to make it for the entire service, but I realize that there is a financial limit. Therefore I limited it to 12 months as a maximum.

The CHAIRMAN. Do you make any distinction between a man who has been in the service as a mechanic and has served 20 days and has possibly been in the hospital most of that time and a man who has been in for 3 years and been fighting in Africa and Italy?

Mr. LEMKE. I do not in this particular section.

The CHAIRMAN. Not on the question of pay?

Mr. LEMKE. No. And I will tell you why.

I have talked to hundreds of soldiers. I have stood on the train with them. As a matter of fact, I do not try to get reservations any more, because you can't them anyway. And I have been in contact with them, and I know that the boy who is removed for 1 month, in order to reestablish his normal connections it would at least require, if he is a private, the small sum of \$150 or something like 3 months' pay, to readjust himself and get started where he left off.

I may state for your information that I was the author of the first State compensation bill in this Nation. At that time we gave them an additional \$25 regardless of their rank from the time they enlisted until the time they were discharged.

In our State we had a lot of opposition to that. Politicians said it never would be paid and it could not be paid. But it was paid, and every veteran got that additional \$25 from my State.

But we made no difference in rank in that particular bill. It was from the time of enlistment to the time of discharge.

The CHAIRMAN. Mr. Lemke, the testimony of General Hines, the Director of the Veterans' Administration, indicates that the cost of this bill, based on the terms of H. R. 3799, would be about \$3,600,-000.00.

Now, in view of that fact, and the fact that employment is more readily obtainable now than at the end of the First World War, and the fact that the members of the Army at the end of the first war were paid only \$60, what would you think about adding a mustering-out bill to pay \$100 to each and every service man rather than 3 months' pay?

Mr. LEMKE. I would consider that, rather frankly, an insult to the veteran.

The CHAIRMAN. I mean, to fix it at a flat sum.

Mr. LEMKE. A flat sum of money—that is getting off the subject. In my bill H. R. 3751 I give them a paid-up life insurance policy starting at \$100 a month before Pearl Harbor and going to one hundred and fifty and to three hundred for foreign service, and then I arrange for a loan that they can make on the policy.

The CHAIRMAN. That is for rehabilitation?

Mr. LEMKE. Yes.

The CHAIRMAN. I am talking about actual discharge pay.

Mr. LEMKE. I have a number of letters, if the chairman will bear with me, from foreign world war veterans saying that they will never forget the insult that they got after the first war. One of them writes that that is how he felt when he was handed a meagre little \$60 with his old job gone and told to go out and face the world and make a living. Now, that is the soldiers' viewpoint that I am giving you there.

The CHAIRMAN. All right.

Mr. LEMKE. Let us remember this: These boys are fighting the world's battle more than any other nation. They are in the thick of it all over the world more than any other nation. They may be killed. And therefore I feel that we should not be too peanutish with them.

The chairman says that General Hines' made the statement that they could get these jobs easily. I may not agree with that.

The CHAIRMAN. I said that on my own.

Mr. LEMKE. Let me make this suggestion, Mr. Chairman:

I have been on the road considerably for the last 2 years. That is true only in spots. The hardest-suffering people today are some of the white-collar people in small towns where we haven't got these large plants. There is nothing for them to do. It may have changed here recently, but I know what I am talking about until recently.

The CHAIRMAN. We have been told here that there are something in excess of 600,000 men who have already been discharged. Do you think that a flat rate should apply to all of those regardless of whether they are in jobs or are still in the service?

Mr. LEMKE. I think we owe the veterans something more than just saying, "We are going to try to get you a temporary job, and when the war is over, you are all out anyway."

The CHAIRMAN. Would you give it to them even though they have gotten jobs?

Mr. LEMKE. That is a very different situation. A lot of these men have been injured and are physically wrecked or incompetent for the time being.

Mr. HARNESS. That will be taken care of in other legislation.

Mr. BROOKS. Don't you think that that ought to be adjusted before these men are discharged?

Mr. LEMKE. Yes, but it is not.

I know of instances where discharged men have not been taken care of. Take one case in my own State and see how it worked in the State of North Dakota.

They said that something happened to this man's mind. I know that there will be a lot happen to their minds. But when he came back, he was discharged and he was thrown on to the State. The job that he had had in the State highway department was abolished. So he was without any job or any means of making a living.

Mr. BROOKS. Do you think that they should be handed that sum of money and thrown out on the street and be told to make their own way? Don't you think that the matter of disabilities ought to be adjusted at the time of discharge?

Mr. LEMKE. Absolutely. They should be adjusted. But, unfortunately, a lot of things that should be done are not being done.

Mr. BROOKS. If we could work that out, don't you think that it would be a good thing?

Mr. LEMKE. I think it would be. But I understand that you are talking about these bills.

Mr. BROOKS. Would you be in favor of putting that in this bill?

Mr. LEMKE. Absolutely. I am for it. I am for any provision that will help the veterans reasonably without injuring the future.

Mr. BROOKS. Walter Reed Hospital told us that they are taking action on the hospitalized cases before they are discharged. But that does not take place anywhere else. That does not cover anybody who is not hospitalized when they are discharged. It covers only those cases that are hospitalized at the very time of discharge.

Mr. JOHNSON. What is the underlying thought in your mind in this bill? Are you paying these men for service? Or is it your thought in this bill to just provide him enough so that he can live and support himself while he is looking for a job? What is your thought?

Mr. LEMKE. My underlying theory or purpose was to give him an opportunity to readjust himself in the life that the Government interrupted when it took him. I presume that most of them were glad to go; but, nevertheless, they were glad to go because their Nation's honor and its future was at stake.

Now, then, on the other hand, in figuring on reasonable help we should not figure too close. We have at least not been overly close with a lot of the other appropriations and expenditures that we have made.

I have a letter here from one of these boys that will meet your suggestion, Mr. Brooks. He tells me that he has been shipped back and forth from North Dakota to San Francisco, and that he borrowed \$7.50 from a friend; and that after he got there he went to a doctor out there and the doctor took the \$7.50 from him.

Those are things that should not be.

Mr. JOHNSON. But do you feel that you can put a price on a man's military service even in combat?

Mr. LEMKE. My father, who served in the Civil War, said that they promised the boys everything when they enlisted, and then, when they got through with them, it was just saying to them, "You are patriotic. You did all this for patriotism."

The CHAIRMAN. Let us understand this. This committee is strongly inclined to do whatever it can do for the veterans. But the only question before us now is what we can do as a temporary expedient to get them out of the service and into employment.

Mr. LEMKE. My one suggestion, Mr. Chairman, is this: That you change the date in your bill and substitute section 2 in the bill that I introduced last night.

And then, when you do that, if you wish to change it and make a limit as to whether it shall be equal up to a certain sum per month or handle it as in the present bill, that is, of course, for the consideration of the committee.

I haven't any great objection if that is done. Personally, I still prefer the suggestion that I have made. But that is up to the committee. That is a minor matter. Just so that they get at least the pay of a private.

The CHAIRMAN. All right. Are there any other questions?

Mr. BROOKS. Along that line. Do you include officers in your bill?

Mr. LEMKE. I include them up to \$5,000.

Mr. BROOKS. Would you exclude from this bill mustering-out pay for officers who are retired for disability?

Mr. LEMKE. I haven't gone into compensation that they get for disability. But I would not exclude them. I feel that a human element enters into this.

Mr. BROOKS. Would you exclude enlisted men who are disabled in combat?

Mr. LEMKE. No.

Mr. BROOKS. Disabled not in combat?

Mr. LEMKE. I would not.

Mr. BROOKS. You cover all of them?

Mr. LEMKE. All of them.

Mr. BROOKS. Regardless?

Mr. LEMKE. Regardless of any additional legislation.

Mr. BROOKS. You mean, all honorably discharged?

Mr. LEMKE. Yes.

I would also include those who enlisted when they were minors. I am perhaps prejudiced there because my own father enlisted in the Civil War when he was 16.

Mr. BROOKS. Under your bill or your suggestion do you have their pay go right on?

Mr. LEMKE. Yes. I discharge them without any interruption and just keep on paying them for so many months depending upon length of service.

Mr. BROOKS. Would that cover also their allowances?

Mr. LEMKE. What do you mean?

Mr. BROOKS. For instance, a private soldier who has a wife and maybe two children gets an allowance for them.

Mr. LEMKE. No. I would just continue the soldier's pay.

Mr. BROOKS. You would just continue the pay without the allowances?

Mr. LEMKE. Yes. Of course, I would be glad to add the allowances, but I realized that I was dealing with—

The CHAIRMAN. This committee has a record in the past of providing pay and allowances for dependents and veterans' pensions and all of that. This bill is for mustering-out pay.

Mr. BROOKS. Your idea is to give them mustering-out pay for a number of months?

Mr. LEMKE. Yes. I think that is the simplest way.

The CHAIRMAN. It is in section 2 of this bill.

Mr. BROOKS. I haven't seen it yet, Mr. Chairman.

Mr. HARNESS. If I understand you right, Mr. Lemke, under your bill you want to substitute section 2 for section 2 of our bill?

Mr. LEMKE. Yes. Of the bill that you are considering.

Mr. HARNESS. You would pay a lieutenant colonel who has served over in Sicily for 18 months and a sergeant with the same service and a private at the following rates: the lieutenant colonel \$4,800, the sergeant \$2,100 and the private \$600.

Mr. LEMKE. Then let us make them all the same. As I said before, that is for the committee to decide.

May I offer this letter from this soldier that I mentioned?

The CHAIRMAN. Yes.

(The letter referred to is as follows:)

DECEMBER 10, 1943.

I, Edwin H. Knecht, from Goodrich, N. Dak., was once A-1 man for draft. Also in Company B, One Hundred and Eighty-sixth Infantry, Fort Lewis, Wash.

Now am in the "Unwanted Battalion." Peace- and war-time service. Injured back and was blind; had to feed me. Taken to Fort Lewis station hospital, Washington. Spent several months then transferred to Headquarters Barnes General Hospital, Vancouver, Wash.

Operation on eyes and treatments for back injuries for several months. Army doctor said I need glasses third degree tinted. They ordered them. I had to pay. Then discharged; back was still the same.

Gone to veterans' hospital at Fargo, N. Dak., for back and eyes treatments; stayed there several months. Then gone home to Mr. Emanuel Knecht, Goodrich, N. Dak. Was too weak to do anything for 9 months. Gave me \$7.50 a month to live on for a few months. I left for California. Emanuel Knecht gave me the money to go. Case transferred to San Francisco, Calif., Veterans' Administration. They called me in. Dr. —— there he would say his name, looked at my eyes and said yes you need an operation in a year or so, or any time, skin growing on eyes. It will cost about \$100. That's what he said to me. I will never forget those words. Then not even as much as back treatment. Gone back home and even took my \$7.50 away from me.

Doctor eyes, back myself, always weak, hardly sleep at night. I was proud to be an A-1 man to serve my country. Now Unwanted Battalion, after I was crippled up.

EDWIN H. KNECHT.
San Francisco, Calif.

STATEMENT OF HON. J. A. WRIGHT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. WRIGHT. Mr. Chairman and members of the committee, I want to confine the brief statement that I would like to make to one particular angle of this problem.

I don't know whether this is directly in point with this bill. I would say quite frankly that it is not. But I do think it is a matter of such importance that it should be considered at this time. It does affect the soldiers being discharged from the service.

I have had three or four cases brought to my attention where men who have apparently been all right, who occupied useful places in society, several of them married, with wives and children not working, were inducted into the service. Then after a short time they were given a medical discharge because of some neurosis or psychosis that was developed in service, or that apparently was developed in the service.

They have been examined by the doctors, and the officers have said that, since they had been in the service only a short time, they made a finding that these neuroses and psychoses were not service-connected.

Now, in consequence of that they were entitled to no benefits from the Government and they are not entitled to hospitalization.

I had one particular case where I had a great deal of difficulty—quite poor people—getting this one man, who was almost a dangerous person, into a hospital for free treatment.

What brought this to my attention, I just received a letter from a constituent who was given a medical discharge from Camp Kilmer and sent home. His father wrote me this letter:

As one of your constituents I des're to ask some advice.

My son, Wilbert J. Lipps, 332G1579, was inducted into the service on an A-1 classification. After serving more than a year, he was given a medical discharge from Camp Kilmer, and sent home.

Since arriving home, this boy has become steadily worse. We have tried to get Government treatment for him, but so far have not been able to get much encouragement.

Now, it seems that the Army claims his condition is a result of prior ailment. If this be true, why should he have been classified a 1-A and inducted?

We are prepared to show evidence that this boy was perfectly normal in every way before his induction, and we certainly feel that our Government should do something to bring him relief.

I shall be very glad to bring the boy to Carnegie to have you see him personally if you think this advisable.

Will you be kind enough to give us some considération?

A. LIPPS, Pittsburgh, Pa.

I have taken a number of these cases up with service doctors, and probably from the medical standpoint they are right. They say that there must have been some mental instability or predisposition toward these mental ailments when they got into the service. But I submit to the committee that it is quite possible, and even probable, in some of these cases that they would never have been brought to light or become active if they had not suffered the displacement and shock of a change of their living conditions.

We have to admit, I believe, that all our young men are not equally fit to endure the rigors of camp life. Even sometimes men who are not in combat develop these psychoses.

I don't know whether this should be handled as a matter of administration or handled as a matter of legislation. It might be possible to frame a bill which would state that a finding by the doctor who inducts a young man is presumptive, either conclusive or subject to rebuttal, but presumptive that he was in good health when he went into the service.

Mr. HARNESS. We changed the law with respect to that some time ago.

Mr. WRIGHT. What is the present status of the law? Is it presumptive?

Mr. HARNESS. I think it is presumptive if he has been in less than 30 days. The presumption is that he had it before he went in if he has served less than 30 days. If it developed after 30 days' service, then he has a right to claim that it is service-connected.

Mr. WRIGHT. Even in that event the presumption is rebuttable, isn't it?

Mr. HARNESS. In any case it is. It is a question of fact as to whether or not it developed within 30 days.

Mr. FENTON. It should be for the Government to prove that rather than to have the soldier submit evidence.

Mr. WRIGHT. In these several cases none of them had less than 30 days' service. This case that I referred to had 1 year.

Since the presumption is rebuttable, it might be difficult to disprove these doctors' statements that this disability was not service-connected,

because you gentlemen know that a fact might exist and yet be very difficult to prove.

The CHAIRMAN. All right, Mr. Wright. I assume, of course, that you have views on the question of mustering-out pay?

Mr. WRIGHT. I had not given that sufficient study. I am very much interested in it. I would like to study it further before I express myself on it.

Mr. BROOKS. One of the principal elements in these cases was that these claims were not adjudicated promptly; isn't that right?

Mr. WRIGHT. That is one difficulty. But we have had several adjudications which have been against the claimant. I made a personal investigation of one of the cases, and the man was working and supporting a family before he got into the service.

The CHAIRMAN. There was a man down in my town who probably would never have amounted to anything if he had not gotten into the Army. But that is just one instance.

Mr. WRIGHT. I realize that, Mr. Chairman. But I feel that the Government, when it calls a man out of civil life and he does develop one of these disorders, should lean over backward to see that he is not going to suffer and that he is not going to become a burden on society.

The CHAIRMAN. When a man is inducted, he is given a medical examination. I would be in favor of reporting a bill requiring that he be given a medical examination when he is discharged, so that he would have those two examinations to refer to.

Mr. WRIGHT. The only thing I know, it has not worked in some cases.

Mr. GUY H. BIRDSALL (legislative counsel for the Veterans' Administration). Section 9 of the act of July 13, 1943, Public 144, Seventy-eighth Congress, removed any time limit on the presumption of service, although it is rebuttable. That is much more liberal than the prior law, in that it requires clear and unmistakable evidence that the injury or disease existed prior to acceptance and enrollment and was not aggravated by service.

Persons who served on and after December 7, 1941, and not dishonorably discharged are war veterans for the purposes of hospitalization and domiciliary care by virtue of the enactment of Public 10, Seventy-eighth Congress, March 17, 1943.

It is possible that the cases to which the Congressman refers may not have as yet been reviewed under the more recent law. With the permission of the chairman, I will be very pleased to discuss these matters with the Congressman in order that he may secure appropriate reports and be duly informed of the current practice.

STATEMENT OF HON. JERRY VOORHIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. VOORHIS. Mr. Chairman and members of the committee, in the first place I would like to say that I fully realize that this committee has this problem in hand and is going to do the right thing about it. I don't share some sentiments that have been expressed by some people about that matter.

Furthermore, I am perfectly ready to trust the judgment of this committee as to what it does. But I wanted to come before the committee and stress one thing that is of great concern to me.

The CHAIRMAN. We would be mighty glad to hear you.

MR. VOORHIS. And that is that it seems to me that our whole approach to this problem should be this: We have called millions of men to leave their regular occupations and go into the service of their country and defend it.

I feel that we rather have on our hands the problem of enacting such legislation as would be practically indicative of the same concern about getting those men in an orderly fashion out of the armed services and back into civilian life as we were about taking them out of civilian life and getting them into the armed services.

As a part of that, Mr. Chairman, I think that mustering-out pay is an altogether proper thing. I think it ought to be provided. I think it ought to be provided so that the payments will be made over a period of time rather than in one big lump sum or one small lump sum.

I want to make this suggestion: I don't know if I have already thought this through. But I want to make the suggestion that mustering-out pay might be given and provided for in the form of a guaranty of either an assured income or a remunerative job. In other words, to make the entitlement of these men to a certain number of payments of a certain amount if he is not earning in excess of such an amount, and let that entitlement stand as long as he lives.

In other words, if he does not use that up immediately, he could use it up in 2 or 3 years afterward. It would amount to a guaranty on the part of the Government either that this man was going to have worth-while employment or else he would have a guaranty of that sort. It would be a little bit different from payments lasting for a certain period.

I don't think that that answers the immediate problem at the point of discharge, for which I think provision should be made by some definite, nonconditional payment, which will be made anyway. But I do think that second element ought to get consideration.

In the third place, and finally, I feel that there is not only the question of monetary payments involved; but, even more fundamentally, the question of guidance and assistance to the veteran in making his readjustment.

Now, we have a good many provisions for that. But I think that they should be strengthened and made more definite.

I, frankly, was going to introduce a bill myself, which I am not going to introduce now, which would have required only one thing, and that would have been that every man at the time of discharge should be furnished with a brief summary of his rights and entitlements for veterans under existing law. I understand now that some moves in that direction have already been made.

I think the obvious approach to this thing is the bill that Mr. Brooks has introduced. That would not only take care of the thing that I have in mind, but of many other things as well.

I might state, about this provision for a 3-month furlough prior to discharge, that during that period of time the veteran would receive

all information regarding these matters. And he would receive help from the Veterans' Administration and veterans' organizations in making out any claims to which he may be properly entitled. And during this time, also, his pay and allowances would continue, and he would still be a member of the armed forces. And when he returned home and began to make his adjustment back to civilian life, if possible, he could make those adjustments and go home immediately, as soon as the Army or Navy is through with him, without the pressure that has existed in the past, and which, I think, has caused a great many of our difficulties, namely, the pressure of a man who, as soon as he can, wants to get out and wants to get back to his wife and family. Under those circumstances he could still do that and at the same time that he was doing that his record, his medical records and others, would be assembled, and he would come back and get his final check and examination before his discharge. And I believe that that would provide him with the guidance and assistance in making his adjustments which is almost as important as the matter of discharge by itself.

The CHAIRMAN. Let me ask you one question. Don't you think that so long as the man is on furlough and being subject to the discipline of the Army, still in the Army, during that 3-month period, he would not be able to seek or get employment from anybody, because they could not employ him? Even the fact that he might be called from his furlough would really interfere, wouldn't it, with the very objective in this bill—to get him a job?

Mr. VOORHIS. Well, Mr. Chairman, we passed in the Selective Service Act legislation that included a provision where Congress was attempting to the best of its ability to see that the soldiers got their jobs back after the war, didn't we? I am thinking that your committee was responsible for that.

The CHAIRMAN. Yes.

Mr. VOORHIS. Now, it seems to me that, if a veteran returns to his former employment and says to his former employer, "I am going to be discharged within 3 months" or 2 months or whatever it is. "I just want to be sure I am going to be able to go back to work here," all these employers have read this selective service provision and they will realize that they are obligated to take these men back, and I am inclined to think that that employer would rehire this man.

The CHAIRMAN. But he cannot state to his former employer "I am going to be discharged." He may not be discharged, because he is just on furlough. The Army may revoke his furlough.

Mr. VOORHIS. That would be understood; that there would be some remote possibility that that might happen.

But I am confident that there is going to be a point of view on the part of the employers of this country after this war that they are going to attempt to the best of their ability to help these men get back into civilian life. And even with that remote possibility I think the employer will be ready to take that small chance on reemploying a man.

Mr. ARENDs. Have you any figure in your mind as to the amount that should be given to these boys as mustering-out pay for the purposes of this bill? What would you say to \$300?

Mr. VOORHIS. Three hundred dollars total payment? Well, I don't know.

Now, I would say this: That if you are going to set upon a figure of three hundred, I would prefer to see it paid in three \$100 payments than one \$300 payment.

But I will go a little further. I honestly believe that the protection to the veterans ought to extend over a little bit longer period of time than that. And that is why I suggested this matter of making those payments more in the nature of a guaranty of either this payment or a job; and, if he didn't need it, all right. If he does need it, he is entitled to it.

Mr. ARENDs. Let me ask you one question in regard to that. If they have gone back to work and got jobs, are they entitled to this \$300?

Mr. VOORHIS. That is a hard question. I don't know quite what to say.

Mr. ARENDs. I don't know the answer myself. I want to get it from somebody.

Mr. VOORHIS. I can answer it by saying that if a member of this committee doesn't know the answer, how can you expect me to have it?

But instead of doing that, I will say that I think it would be very bad to discriminate against those men.

About that, I think I have made a suggestion that gives you one answer at least, which is my suggestion that the man be entitled to this payment if he is not earning in excess of the amount allowed.

Mr. BROOKS. I want to ask you this: What is your idea? As I see it, it is that there might be a combination of a payment plus some further provision. Is that right?

Mr. VOORHIS. Yes. That is my idea.

Mr. BROOKS. Your idea further is that we should not release these men like we did after the first war and give them \$60 and say, "Go ahead and shift for yourselves. If you get a job, all right. If you don't, it is just too bad."

Mr. VOORHIS. That is my main idea. I don't want any of these men to go back to their own communities sort of lost, not knowing where they are and where they can go to get advice and help and counsel.

Mr. BROOKS. It is easy now to get a job, but when demobilization begins, don't you think it is going to be very hard to get a job?

Mr. VOORHIS. I think, Mr. Brooks, that once we do something that I have been contending for a year, namely, face up to the problems of an economically changed period from the standpoint of our whole country's economy, it is liable to be the very situation that you mention.

Mr. BROOKS. One other thing. When these veterans who have disabilities are discharged, what are we going to do? Are we going to send them out, like we did after the last war, on the street corners; selling pencils on the street corners?

The CHAIRMAN. That is not quite the question which is involved in this bill. The question is a measure that would be a temporary expedient in getting these men back into civilian life.

Mr. VOORHIS. I would say "Yes" in answer to your question. I just think we are not going to let that happen. I don't believe we can let that happen.

Mr. BROOKS. Congress is not just going to pay them such an amount of mustering-out pay and say, "We are through with you." I think that your idea that you expressed here, of following them through and helping them a little bit is a good one.

Mr. VOORHIS. That is right. And I think that the Veterans' Administration would probably agree that if they could get these cases adjudicated right away, it would simplify their work tremendously.

Mr. BROOKS. May I ask you this: What do you think of the idea of requiring their medical records to be present at the time of discharge?

Mr. VOORHIS. I think it is very important.

Mr. BROOKS. And requiring adjudication so far as possible then?

Mr. VOORHIS. I think that is very important.

The CHAIRMAN. We have already done that. If we can do that under one act, we can do it under another.

Mr. JOHNSON. There might be some of these men who will go back to fixed jobs with some of these big corporations and get their old salary. Would you give them mustering-out pay?

Mr. VOORHIS. I think there should be some mustering-out pay.

Mr. JOHNSON. For everybody?

Mr. VOORHIS. For everybody.

But I came up here to talk about my other proposition, that, over and beyond the basic question of mustering-out pay, whatever you decide that to be, that is paid to a man who did go back to the civil service, we consider security in getting him a steady job somewhere, that is, a good-paying job.

I would simply say to him, "Now, your Government has told you that as long as you have this job you are all right; but since you served in this war, you are entitled to 6 or 8 months' payment at some time in your life if you need it."

Mr. JOHNSON. That would mean that the Government would have to keep track of him from the time he is discharged until he dies.

Mr. VOORHIS. Yes. I don't think that that would be a tremendous obstacle.

The CHAIRMAN. I want to ask you one question. I have great confidence in your judgment and wisdom. You have a lot of information about matters of this kind. I want to make this inquiry: We have been told by every representative of every veterans' group that has appeared here—three of them have been before us—that they don't regard this as anything but a temporary expedient. Yet this temporary expedient in the form of mustering-out pay is going to amount to \$3,600,000,000.

It is almost a certainty that there will be a demand after this legislation becomes law and after this war for another readjustment settlement, which will probably amount to fifteen or sixteen billion dollars.

In view of that, don't you think that this committee ought to move cautiously about this bill as a temporary matter?

Mr. VOORHIS. I am not quite sure. Of course, I think the committee should move with wisdom and care about any matter that it takes up.

The CHAIRMAN. I am talking about the possibility of this three billion six hundred million plus this war-adjustment settlement and the country already headed for bankruptcy. Don't you think we ought to be a little slow?

Mr. VOORHIS. I don't think the country is going to go bankrupt, Mr. Chairman.

The CHAIRMAN. I think it is. No; I don't think so, either, really. I just hope it isn't.

Mr. VOORHIS. I could testify on that if you wanted me to, but I won't.

I, of course, think that the committee should consider this matter in the light of all other problems that it has to consider in the future.

The CHAIRMAN. Thank you very much.

Mr. HARNESS. At this point I would like to introduce in the record a telegram that I received this morning from Carl J. Schoeninger, commander in chief of the Veterans of Foreign Wars.

The CHAIRMAN. All right.

Mr. HARNESS. It reads as follows:

Press reports indicate early action on muster-out pay. The Veterans of Foreign Wars of the United States demand special consideration in the form of additional pay for all discharged veterans who have had overseas service.

STATEMENT OF HON. WALTER C. PLOESER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mr. PLOESER. Mr. Chairman, in my opinion, legislation before the committee is to prolong for a limited period of time the pay of all members of the armed services in order to bridge the gap between the discharge from service and a job in private industry. These veterans should be assured some measure of financial independence during this transitional period.

It is universally agreed that the first and most important problem that will face the United States after the war is reemployment.

We must avert bread lines or any return to the political subsidy method of the W. P. A. in the post-war period.

We must avert distress between the date of disability discharge and the date when disability compensation is actually paid.

Any post-war plans must allow sufficient time for industry to reconvert from war to peacetime production. Some industries will need more time than others.

Demobilization of millions cannot be accomplished at one given moment. It probably will require many months. Any proposal must call for the orderly reinfiltration of these millions into a peacetime economy.

No man or woman in the armed services wants to come home, take off an honored and glorified uniform, and be compelled to put on the humiliating livery of a political slave.

What they do want, what they are entitled to, and what our Nation owes to every one of them, is a job, and a good job, in private industry.

You have before your committee various types of bills—all of which deal with the problem in some manner. During the hearings I have heard most discussed the bills which provide a \$300 payment. Much of the discussion has been on the subject of how should the \$300 be divided. The question of why we should divide \$300 occurs to me. How was the sum of \$300 arrived at?

In my opinion, Mr. Chairman, the real question is how to bridge the gap. I have not heard any of these war veterans ask for any sum of money. Neither am I at all sure that they intend to ask their Government for any form of bonus if their Government provides a reasonable cushion for their transition back into private life. I have talked to many hundreds of men in the service and they are interested

intensely—yes, worried—about their post-war future; not one has ever mentioned a bonus. They want their jobs back as quickly as possible. Many feel that they are now fit for better jobs. Many of the younger men will want to return to their education.

I attempted to deal with this problem when I introduced a bill on the subject in October 1942. I reintroduced the same bill in January of this year. It is before your committee among these other bills. It is H. R. 1247. This bill extends the base pay of the men in the service for 15 months in the case of enlisted men, and for 10 months in the case of officers and others. This bill provides that the monthly pay after the first month would be reduced by the amount of private cash income received during the prior month.

In October of this year I attempted to append to the dependency allowance bills before the House a similar provision with these changes:

(a) I classified the services into two groups: All enlisted men into their lowest grade, and all others into the grade of a second lieutenant or ensign.

(b) I reduced the extension of pay from 15 to 10 months, and from 10 to 5 months, respectively.

(c) I made the addition of one-half the dependency allowance being received at the time of discharge.

I believe these changes to be important.

After listening to the testimony of the past 2 days, I am convinced that neither of the \$300 bills is the answer and that my efforts up to the present moment are not the complete answer. I do believe that a combination of the three can and will do the job most effectively.

I am, therefore, hopeful that the Military Affairs Committee will bring out a bill which will embody three basic provisions:

(1) Provide a moderate lump sum of cash for the men and women immediately upon their discharge from the services. This will provide for immediate clothing needs, plus some pocket money.

(2) Establish a bridge-the-gap pay arrangement which will make reasonable allowance to extend the pay of the discharged people for a reasonable length of time, or until they get a job, or until disability compensation is made available.

(3) Make such pay allowance adjustable in accordance with dependencies and, if you wish, in accordance with the nature of the service, either foreign or domestic.

Mr. Chairman, I might add to that formal statement the emphasis that the problem, as I see it, that the committee is working with so studiously, and as you have so well stated earlier this morning, is a problem of bridging the gap between the time of discharge and the time of reemployment.

That gap is of various lengths. In the first place the demobilization of all the men in the services will carry over a period of many months. It is bound to. It cannot be any other way. We have had such great difficulty in shifting millions of men from our soil and the same transportation problem is going to face us in the post-war period to bring them back. And, even if we had the desire to demobilize the entire Army in 1 hour, it would not be humanly possible to do so.

So whatever amount of money is ultimately expended for this bridging the gap, it is going to probably carry over two or possibly

three fiscal periods of the Government. It is not going to be an outright expenditure in any one fiscal year.

You have also the problem of the disabled veteran who is discharged and has some period to wait before final adjudication and award payment of his claim is made.

An automatic extension basis whereby you deduct other income would automatically take care of that man. It would provide him with the cash that he needs. It would be when his disability compensation begins that this extended pay would be reduced or eliminated, depending upon the amount of disability compensation.

Mr. HARNES. Doesn't it occur to you that it would entail quite an administrative problem?

Mr. PLOESER. The administrative problem for the services seems a lot more difficult than it will become after considerable study, Mr. Harness.

I have been working on this idea now for 2 years. I don't say that I have a complete and final answer. But I say that this is probably a logical program. An important step in the program will be the simplification of administrative difficulty.

First of all, I think these men ought to get a reasonable sum immediately upon discharge.

Mr. AREND. What do you think is a reasonable sum?

Mr. PLOESER. I have in here \$100. I don't think any man can say what is absolutely reasonable. What is reasonable to one man would seem unreasonable to another. We will never get a truly reasonable amount; \$100 to some of these men would be a large amount of money, depending on their condition prior to going into the service; \$100 to another man would be a small amount.

So we have to go on some agreed basis. Who is actually right, I don't know.

I would pay them their first month's compensation without any deduction.

The CHAIRMAN. As mustering-out pay?

Mr. PLOESER. As a part of the program pay. I would say that the \$300 would be both mustering-out pay and compensation, because the minute you split the \$300 into two or three payments, it becomes compensation.

The CHAIRMAN. In order to get mustering-out pay you have to have a bill. Compensation is provided for now by other statutes.

Mr. PLOESER. There is no compensation provided under any statutes that will extend the pay of these men into this post-war period except for the disabled.

The CHAIRMAN. That is right. That is why we are discussing an additional step in the way of muster-out pay.

Mr. JOHNSON. What do you mean by "compensation pay"?

Mr. PLOESER. I mean that these men after that original payment of \$100 or more or less, as I see it—I think that should be the minimum—should have their pay extended.

Now, I don't believe you should extend their pay on the basis upon which they have been earning while in the Army.

Mr. JOHNSON. That means everybody, disabled and healthy?

Mr. PLOESER. That means everybody.

The CHAIRMAN. Let me ask you a question there. You say "everybody." Now, based on the pay in the Army or based on \$100, if a man who was disabled was drawing \$250 a month from the Veterans' Administration, would you cut him down to \$100?

Mr. PLOESER. You didn't let me finish my point, Mr. Chairman. I am coming to that.

I did not say "based on the pay that they were getting in the Army." I specifically said I would divide the armed forces into two classifications. I said that in my original statement and I just said it again.

The CHAIRMAN. What are they?

Mr. PLOESER. The first classification is grade 7.

The CHAIRMAN. What is that?

Mr. PLOESER. The buck private.

The second classification is the first period, second lieutenant or ensign, for all officers or others than enlisted men, which would include certain warrant officers and some other special flight officers.

The CHAIRMAN. You would make the one payment included in this bill go to 3 thousand and certain allowances and not \$100 just the same as some of the others have said?

Mr. PLOESER. The initial payment at the moment of discharge would be the same for all, because it is basically given to cover immediate needs and some pocket money.

Mr. SIKES. And transportation home.

Mr. PLOESER. Yes.

Extension of their pay would be in those two classes. It is a guaranteed extension of their pay only if they do not earn other money. In other words, the amount of money that they earned after the first month would be automatically deducted from their subsequent month's payment.

Another adjustment between the two classifications is that I am giving the men in grade 7 10 months on which to run. I would give the men in the first period 5 months.

There is a basic economic reason for that sort of thinking. A man who has had officer's training and officer's experience might logically be expected to get employment quicker than a man who has been a buck private.

Mr. ARENDS. Let us take an imaginary case. Let us say that John Doe is getting out of the Army, where he has been getting \$50 as a buck private.

Mr. PLOESER. Yes. When he gets out of the Army we give him \$100. At the end of the first month we give him \$50, the amount of his buck private pay, plus one-half of whatever his dependency allowances may have been at the time of his discharge.

The CHAIRMAN. He doesn't get any dependency allowances in these bills.

Mr. PLOESER. I know that. The benefits cease the minute that he is discharged. But the economic obligation does not cease the minute he is discharged.

Mr. ARENDS. Let us go on with this man.

Mr. PLOESER. At the end of the month he gets a check—the provision for this is made in my bill—to which is attached a voucher. The

endorsement of that check is in the form of an affidavit, and I would waive identification.

Mr. SIKES. Waive identification of what?

Mr. PLOESER. On the endorsement.

Mr. SIKES. Of the check that is given to the man?

Mr. PLOESER. Of the check that is given to the man. And I will explain later. I would rather not break this line of thought.

On the voucher form will be stated, as a part of the affidavit which he makes in endorsing the check, that he has received compensation from private sources or compensation as a matter of disability benefit, say, in the amount of \$30 for the prior month. The next check going to him would be the allowance that was due less that \$30.

Now, if it equals or exceeds the amount of allowance that he gets, he is immediately cut off the roll. And if he should again become unemployed, he has to come back on the roll by means of an application, but still only for the maximum period, as stated, of 10 months.

Now, it answers many problems that have been before this committee.

Take, first, the man who is mustered out today. You think he would get a job quickly. The probabilities are that he will. If he gets a job quickly, all you have got to do is give him his hundred dollars, his first month's pay, and he is through.

Mr. ARENDs. In other words, he gets \$100 within a few days after he is out of the Army, and he endorses that check and you are finished with him.

Mr. PLOESER. Yes. He goes off the roll.

I have discussed this with budget officers of the Army some months ago. It does not present any tremendous administrative problems.

Mr. JOHNSON. And 4 years after he is out of the Army he can come along and get the other 9 months' pay?

Mr. PLOESER. No, sir. The 10 months run from the date of his discharge.

Mr. JOHNSON. He doesn't get the unpaid balance of those 10 months?

Mr. PLOESER. No.

If it were on any other basis, you would give him an incentive to quit work. If during his lifetime he could come back, the incentive is, when he gets tired of his job at some time, he says, "I can go back on the roll and get the remaining months' payments which I have left."

The CHAIRMAN. Are there any further questions?

Mr. PHILBIN. May I ask Mr. Ploeser one question?

The CHAIRMAN. Yes.

Mr. PLOESER. I am not a banker, but I have discussed this matter with a number of bankers about the endorsement of these checks. In my bill I provided that they go to the local post office and get their checks cashed.

The bankers tell me this: "If there is an affidavit form on the back of the check, we have, of course, recourse under the statute which covers a false affidavit."

They think that there would be very little difficulty and very little loss if it was presumed that the man who presented the check was the payee on the check.

Mr. PHILBIN. Are you suggesting this bill of yours as sort of adjusted compensation?

Mr. PLOESER. I suggest this as an economic "bridge-the-gap." I am not recommending, Mr. Philbin, the passage of my bill as it is introduced at the moment. I have stated to you and I repeat that I have come to the conclusion that there are three important factors involved. One is considered in the bill of the chairman. Another includes the extended pay provision, as provided by H. R. 1247, which I introduced. The other embodies the principle which was involved in the amendment that I have proposed to the dependency allowance revisions this past October.

All of them are motivated in my opinion by an economic necessity.

Mr. HARNESS. I would like to ask you, in order to be clear in my mind: In your proposal you would give pay at the same rate to a man who just went in and a man who had been in the service for 10 months?

Mr. PLOESER. No. I would classify them into two categories. The original bill did carry the provision that no one above the grade of captain should be paid. But I changed my thinking after that original bill, and in my amendment I classify them into two categories—grade 7 and up to period 1. Length of service does not necessarily determine economic necessity.

Mr. HARNESS. The buck private would get \$50 a month?

Mr. PLOESER. That is right.

Mr. HARNESS. How about the second lieutenant, or, let us say, the captain in the Air Corps, who gets not only his base pay, but 50 percent increase for flying?

Mr. PLOESER. The 50 percent increase is not the base period pay. It is a bonus for the type of work that he is doing.

Mr. HARNESS. But that is his pay as provided by the pay bill. He gets a 50 percent increase for flying.

Mr. PLOESER. Isn't that provided in the same fashion as increased pay for going into foreign service?

Mr. HARNESS. His base pay is \$300, and he gets 50 percent or \$150 each month extra. That is four hundred and fifty.

Mr. PLOESER. I have no intention of extending that kind of pay. I had intended to extend one hundred and fifty a month for 5 months.

Mr. HARNESS. I don't mean to say that that is what we should give them. I am just saying that those are the figures.

Mr. PLOESER. Enlisted men would receive \$50 plus one-half of their dependency allowances.

Mr. HARNESS. In other words, you don't pay more than \$50 a month to any person?

Mr. PLOESER. Except those who come in pay period 1—commissioned personnel, warrant officers, who would get one hundred and fifty a month, but limited to 5 months.

Mr. BROOKS. Don't you think that the problem so far as the disabled men are concerned or the possibly disabled men would be simplified by requiring everyone to be discharged from a demobilization center, and at the time of the discharge to have all the medical records there and a representative of the Veterans' Administration there to pass on the question of his disability at that very time, before he is re-

turned to civilian life, and then discharge him with mustering-out pay?

Mr. PLOESER. I think that is ideal, and I think it is most desirable, but I am not at all sure that it is possible.

Mr. BROOKS. It certainly has not been done in the past.

Mr. PLOESER. No. But, on the other hand, one must take into consideration that the Veterans' Bureau has a tremendous amount of detail, and in any detail of such volume there are bound to be errors and misplacements of files and a lot of other things which entail delay.

The CHAIRMAN. Nevertheless they have done a fine job.

Mr. PLOESER. Yes. I think the fault is with us, that we have not provided some means, which this bill would provide, of "bridging-the-gap".

If you can accomplish what you want, Mr. Brooks, I would be most delighted. But in lieu of accomplishing it we can provide the financial bridge.

The CHAIRMAN. Now, let me ask you one or two questions.

You say that these soldiers will not want bonuses, but will want jobs. What shall we do about the 600,000 of them that have already been discharged and who have gone into jobs?

Mr. PLOESER. That is included in the three basic principles that I set forth. It would work automatically in this fashion: They would get their hundred dollars. I don't see how you can deny them that, because this is what has happened: They have been mustered out. They have gone to some expense.

The CHAIRMAN. You have answered it.

Now, you made another statement that this will bridge the gap between the time of discharge and when they get a job. I don't know exactly what you mean by that gap, how long it will be. But I think it can be illustrated by my telling you the story of what Abraham Lincoln told a man who asked him, "How long is a man's leg?" He said, "It ought to be long enough to reach from his body to the ground."

Mr. PLOESER. That is the answer.

The CHAIRMAN. Just enough to reach from his discharge to the job.

Mr. PLOESER. That is right.

The CHAIRMAN. Thank you very much.

STATEMENT OF COL. E. L. GARDINER, DIRECTOR OF THE EMPLOYMENT SECURITY DIVISION, STATE OF INDIANA

Mr. GARDINER. My name is E. L. Gardiner.

The CHAIRMAN. Colonel, where do you live?

Mr. GARDINER. My home is in Indianapolis.

I happen to be the director of the Employment Security Division of the State of Indiana.

Being here in town on an executive meeting and being a veteran and naturally interested in all your programs, and especially this program, because I think it is needed very badly now and not later, I wanted to appear before you and make a short statement.

The CHAIRMAN. In view of the fact that Mr. Harness has discussed with you matters which you know about, I think I will let Mr. Harness do the questioning.

Mr. HARNESS. Mr. Chairman, I have had a very interesting discussion with Colonel Gardiner on a point that I think has been overlooked by all the members of this committee, and that is the situation that exists in each of the 48 States in connection with the eligibility of many of those in the armed forces for unemployment compensation when they get back to their homes. I would like for Colonel Gardiner in his own words to tell the committee just what the situation is in Indiana, as well as in other States that he is familiar with.

Mr. GARDINER. Mr. Chairman, Mr. Harness, and members of the committee: I didn't come here to make any speech or even to be presented to your committee in any way. But I am happy to do so if I can give you any information.

In Indiana, for instance, we have 1,400,000 covered in unemployment compensation. That is covered employment.

We have sent to the armed forces in Indiana in round numbers about 300,000 and out of that number 147,000 of them have gone into the armed forces that had covered employment. And in the working in industry that was covered by the unemployment compensation division.

Now, every other State has that same problem.

The things that I am interested in, of course, are these: We have had 15,000 returned from the armed forces since Pearl Harbor day. We have only paid a little less than \$300,000 in unemployment compensation. In other words, there is in the total amount about \$18,500 that we have already paid to the returning soldiers.

Now, there are a lot of factors there that are extremely interesting, because there are about 147,000 in Indiana that went into the armed forces that were not working in any type of covered employment.

For instance, in Indiana we cover every employee of an employer who has eight or more employees. In Ohio, right next door, they cover every employer of three or more. In the State of Illinois they cover six or more. But in Indiana we cover eight or more.

As I said, we are covering today in Indiana 1,400,000 and only 147,000 of them have gone into the armed forces.

It is not that problem so much right now as the placement in employment, because I have been connected with the picture of employment service and unemployment service in Indiana, and I can say that out of the 15,000 that have returned we have only paid benefits to less than 300 people.

Of course, employment is plentiful now. But we have had a few cases in Indiana where they were not working in covered employment, and they have not been able to get a job immediately. Of course, mustering-out pay for them would be certainly most desirable and most helpful.

Mr. DURHAM. What do you pay in your State?

Mr. GARDINER. On the maximum earnings, \$18 for 18 weeks.

Mr. JOHNSON. Does your law cover all kinds of jobs?

Mr. GARDINER. No; it does not. Domestics and farm labor are not covered.

Mr. JOHNSON. Do you know what the rule is in California?

Mr. GARDINER. I couldn't tell you exactly about California. But the farmers have been in an exempt class.

Mr. HARNESS. I would like to point out that 50 percent or perhaps a little less of the men who entered the armed forces from the State of Indiana are covered by unemployment compensation.

Mr. GARDINER. That is right.

Mr. HARNESS. And when they are discharged from the service and cannot find employment, they may apply for and receive unemployment compensation.

Mr. GARDINER. Yes.

Mr. HARNESS. In other words, half of the 300,000 now in the service are covered and eligible for this compensation and will be paid if unemployed after discharge.

Mr. GARDINER. Immediately.

Mr. HARNESS. Immediately.

Mr. GARDINER. Without any waiting period.

Mr. HARNESS. So you are able to take care of 50 percent of them.

Mr. GARDINER. That is right.

Mr. HARNESS. Fifty percent of the men who come back.

Mr. GARDINER. That is right.

Mr. HARNESS. I merely bring out that point to show that in trying to arrive at some reasonable figure in this bill we should take into consideration the benefits that the men are going to have when they get back.

The CHAIRMAN. I would like to ask you a few questions.

Your 1,400,000 employees that are registered in your State, you say out of that number 300,000 have gone in the Army?

Mr. GARDINER. Yes.

The CHAIRMAN. Not out of that number, but out of the entire population?

Mr. GARDINER. That is the entire population, and 147,000 are not covered people.

The CHAIRMAN. What is the amount of funds that were built up in your State on deductions from pay rolls and from all sources?

Mr. GARDINER. We have available right now \$123,000,000.

The CHAIRMAN. In my State I don't know the number who are registered, but I do know that we have \$175,000,000 in the fund.

Mr. GARDINER. That is right.

The CHAIRMAN. What would you say is the amount of funds available in the State of New York?

Mr. GARDINER. \$600,000,000.

The reason why they have so much more in the State of New York, although they are the largest State and so on and so forth, they don't have the merit system, granting the employer the right when he has stabilized his employment to pay at a lesser rate. We do in Indiana and you do in Kentucky.

The CHAIRMAN. How about the State of Ohio?

Mr. GARDINER. They have about \$300,000,000. They have that right in Ohio, too.

The CHAIRMAN. And they have a great many war plants and industries.

Mr. GARDINER. Yes.

The CHAIRMAN. Are there any further questions?

Mr. HARNESS. I would like to call attention further to another statement that the Colonel made, that out of 15,000 discharged veterans in Indiana they have paid unemployment compensation to less than 300 of them.

Mr. GARDINER. Yes.

Mr. HARNESS. Who were unable to get jobs.

Mr. GARDINER. Yes.

Mr. HARNESS. Which would indicate that employment is available today to able-bodied men who are discharged from the Army.

Mr. GARDINER. That is right. We have had only 300 out of 15,000 that have drawn any benefits. In other words, we have paid out only \$18,500.

The CHAIRMAN. Thank you very much, Colonel.

STATEMENT OF SGT. LEMUEL HENDRICK, COUNCIL BLUFFS, IOWA

The CHAIRMAN. Will you tell us your name and where you are from?

Sergeant HENDRICK. My name is Lemuel Hendrick. I am from Council Bluffs, Iowa.

The CHAIRMAN. How long have you been in the service?

Sergeant HENDRICK. Since January 20 of 1941.

The CHAIRMAN. Where did you serve? What countries?

Sergeant HENDRICK. I served in the European theater of operations.

The CHAIRMAN. Are you wounded or suffering a disability?

Sergeant HENDRICK. Yes, sir.

The CHAIRMAN. Where did you receive that disability?

Sergeant HENDRICK. In Tunisia.

The CHAIRMAN. What unit were you serving with?

Sergeant HENDRICK. I was on special duty with the British commandos.

The CHAIRMAN. How old are you?

Sergeant HENDRICK. I am 21.

The CHAIRMAN. All right. We will be very glad to have your statement.

Sergeant HENDRICK. Mr. Chairman, as a disabled American soldier I come here to speak to you as one of those which this bill will help.

I believe I can speak to you for the boys, because I know what they need and what they want and would like and what will help them most.

First I want to point out to you that all these boys that I am speaking for have been through battle and received wounds, such as thousands of other boys in the service. I know by my close contact with them that they are concerned about their future and also about the future of the people who have suffered under the conflict which is now existing.

Above all, I want to get the news to the boys who are still over there of what the Seventy-eighth Congress is trying to do for them in helping them.

To let the boys come back and find out that nothing has been done as yet, such as those boys find out who come back to hospitals now, to tell you the truth, they will wonder what they are over there fighting

for, what this democracy is supposed to be and what we are fighting for, and whether it was worth it, to go over there and lose part of their limbs to do it.

I have talked with several veterans of the last war, and every one that I have talked with has told me that the sole purpose of the veterans' organization is to help them out and see that their wounded veterans are taken care of and that the families and dependents of the boys that were killed in action are taken care of and looked after also.

I feel that this Seventy-eighth Congress, that sent us over there, if they don't act on some adequate legislation for an orderly adjustment for employment and for getting the boys back into civilian life, there will be another march for bonus, which can all be avoided if there is some adequate legislation put through.

What we need most is, while waiting for actual discharge, waiting for our cases to be adjudicated, we don't want to be standing around. We want to get into something, either an education, this vocational education that is given to us, and something to carry us over, so that we can take care of and look after ourselves.

No boy who has been over there wants to go back on the mercy of his friends or the mercy of his people and live off of them, off of his folks. And I am sure that if you will talk with them, they will agree with that.

Now, on this mustering-out bill I feel that this \$300 will not do the boys too much good.

Of course, now that the Veterans' Bureau is sending representatives out to the hospitals to get their claims adjudicated, before they are discharged, that looks good on paper. But with all the records that have been lost and will continue to be lost, it won't work out.

Mr. BROOKS. May I ask him a question here along that line?

The CHAIRMAN. Yes.

Mr. BROOKS. Don't you think it would be a good idea to have the discharge papers and medical records of the man there at the time of his discharge?

Sergeant HENDRICK. Yes. I do. That is as it should be, if they can do it.

But right here in Washington, in the Veterans' Bureau headquarters, there are stacks and stacks of records of where boys have been discharged and their medical records are not complete or their service records are not complete, through the fault in some way of someone from the State.

Mr. HARNESS. Many of the records of those men have been lost in actual combat. Their records have been lost in actual battle.

Sergeant HENDRICK. Yes. That is so.

Mr. HARNESS. And nobody is to blame but the enemy.

Mr. BROOKS. Many of them are strewn around from one place to another.

Sergeant HENDRICK. That is all correct. But a man's medical record is supposed to be taken care of, and is supposed to be with the man wherever he goes. But several times his records don't follow him.

The CHAIRMAN. All right. Go ahead if you have anything further.

Sergeant HENDRICK. In giving them \$100 when they are discharged, plus what the Army gives them, which is transportation home—how

long is \$100 going to last any man if that is all he knows he has? He has to buy his civilian clothing, his food, his rent, his housing, and all of that out of it.

Even a man who is dishonorably discharged from the Army is given civilian clothing. When a man is honorably discharged they let him wear his own uniform out, but don't provide him anything so that he can get civilian clothing.

They say that it is a lot of money to be giving to the boys.

The CHAIRMAN. What do you think about a payment of \$100 at the time of discharge and another hundred dollars 1 month afterward and a hundred dollars 2 months afterward, making a total of \$300 in most instances?

Sergeant HENDRICK. No; because I will tell you why that won't work out. It might work out now, but when all these boys are discharged and coming back \$300 will not be enough to hold them over until their claim is adjudicated, and it won't be enough to—

Mr. ARENDS. You are speaking of the disabled men?

Sergeant HENDRICK. Yes. I am speaking more than for anyone else for these disabled boys, such as myself, who, when they are discharged, cannot step right into a job. They should not be expected to.

The CHAIRMAN. All of them are going to get rehabilitation and vocational jobs if we can find them. It will be up to the authorized agencies of the Government to do that, and we should keep after them and see that they do it.

Sergeant HENDRICK. I would like to read you from a letter that I received from one of the boys. It says:

5th ICC, APO 74, New York City. Somewhere in north Africa.

This is what he wants to know:

What kind of information can you give me about the creation of an international army to secure the peace for which we are fighting to share? I am interested in a good future after the war. I am so afraid that we will be like a lot of the last war veterans. After our jobs have been self-sacrificed to restore liberty to a free world we will be forgotten in civilian life. Others who have filled our places who have been shown to be more capable because of circumstances will be desired to continue in employment. Our employers may have agreed to give us back our jobs, but what is to keep him from firing us within 24 hours after we have these jobs back? What I am hoping and a lot of us are seeking now is to know that we have something to come back to.

That is what the boys are talking about now. They are saying, "Why isn't something done about it?" If you want to build the boys' morale, let the boys overseas know that when they come back they will be taken care of.

This \$300 will build their morale to a certain extent. Also when you are in a fox hole and ration time comes, even a drink of water will build morale. But not for long.

The CHAIRMAN. Are you being hospitalized at Walter Reed?

Sergeant HENDRICK. Yes.

The CHAIRMAN. How long have you been in the hospital?

Sergeant HENDRICK. I have been in Walter Reed since the 25th of June.

The CHAIRMAN. Do you know when you are going to be discharged?

Sergeant HENDRICK. Not for sure.

The CHAIRMAN. Have you had any indication from the hospital, the medical officer, as to when you might possibly be discharged?

Sergeant HENDRICK. There is not. My medical record has held it up. It is the administration, which is being taken care of now.

The CHAIRMAN. Have the doctors told you when they may put you on the roll?

Sergeant HENDRICK. It is not in the doctors' hands any more.

The CHAIRMAN. But you are still in the hospital?

Sergeant HENDRICK. Yes.

Mr. HARNESS. Has your claim been adjudicated yet?

Sergeant HENDRICK. No, sir. It has never been mentioned or brought up.

Mr. HARNESS. Do you mean that the Veterans' Administration has not started to adjudicate your claim and you have been back in this country since June?

Sergeant HENDRICK. I have been in the hospital since June. They have refused to do anything or give me any information.

Mr. HARNESS. Of course, you are still drawing your pay in the Army?

Sergeant HENDRICK. Yes.

Mr. HARNESS. To tide you over until the Veterans' Bureau can adjudicate your claim.

Sergeant HENDRICK. I will draw that pay until I am discharged. And after I am discharged I won't draw a cent until my claim is adjudicated.

Mr. HARNESS. Has any application been made to the Veterans' Administration to have your claim adjudicated?

Sergeant HENDRICK. No.

Mr. HARNESS. You haven't filed your claim?

Sergeant HENDRICK. No. I can't file a claim until I am discharged.

Mr. HARNESS. Let me ask the representative of the Veterans' Administration this: After he files his claim with the Veterans' Administration, how long will it take?

Mr. BIRDSALL. The procedure now is that agreed to by the War Department and there has been established by the Veterans' Administration the first board at Walter Reed Hospital. That board is sitting now, and it would seem to be his purpose to get his claim before that board.

Mr. HARNESS. Why haven't the officers and the hospital submitted this claim for this man?

Mr. BIRDSALL. They will, Mr. Congressman. The moment they know that a man is to be discharged, action will be taken to notify the board of the Veterans' Administration.

Mr. HARNESS. And if he is going to be discharged, maybe it will take 3 months or 6 months after the claim is filed before he can get his pay.

Mr. BIRDSALL. Pension is not payable in advance. Claims of that nature are adjudicated promptly. And the pension would accumulate during the discharge month. So the check would reach him the next month.

Mr. HARNESS. Under this procedure suppose this sergeant was discharged on the 1st of January. That board would not adjudicate his claim until January?

Mr. BIRDSALL. No, sir. This board will determine the service connection and determine his benefits. If the War Department is ready

to discharge him, he will be rated and, if entitled, will automatically go on the pension roll from the date of his discharge.

Mr. HARNESS. How long does it take to get his first check to him?

Mr. BIRDSALL. The check will be released on the first of the month following the month in which he is discharged. Pension is not payable in advance, and it would not accrue to him before he is discharged. So for the balance of the month in which the discharge takes place he would be paid the 1st of the next month and then the next month's check would go to him on the 1st of the following month.

Mr. HARNESS. Then there will be no delay in him getting his check?

Mr. BIRDSALL. No, sir.

Mr. BROOKS. Suppose this man did not go through Walter Reed Hospital but was disabled, how long would it then take him to get his first check?

Mr. BIRDSALL. There would be very little difference except where necessary clinical records were not available. If the examination at the time of discharge is sufficient—that would be in the sergeant's case, probably, for example—we would get the medical record and we would also get his claim. It would be adjudicated promptly; and, of course, he would be put on the rolls effective the day following the date of discharge.

Mr. BROOKS. What as a matter of practice has been done? Have you had the medical record of the man before you at the time of discharge?

Mr. BIRDSALL. Not in all cases.

Mr. BROOKS. Or do you only have the application for the benefits at the time of discharge?

Mr. BIRDSALL. We have two classifications of hospital cases. We have the ones who are discharged for further treatment in our facilities, and then the other cases where the man no longer needs treatment but has a service-connected disability.

In those cases where he is no longer in need of treatment, but disabled, it would be suggested to him that he file his claim. Forms would be made available and assistance given to him. When claim is filed the hospital furnishes the records to the Veterans' Administration.

Mr. BROOKS. How long would that take?

Mr. BIRDSALL. The adjudication thus far on the veterans' claims took, on the average, about $3\frac{1}{2}$ or 4 months, which was fair when you consider the load of claims that we had to adjudicate. That average has been reduced down to where it is two and some fraction.

Mr. BROOKS. Two and a fraction what?

Mr. BIRDSALL. Two and seventy-five hundreds months. That doesn't mean all cases, of course, because many cases are adjudicated in less time.

Mr. BROOKS. Do you see any reason why we could not as remedial legislation ask that the records of these men be there at the time of discharge, so that you could handle most of those matters right at that moment?

Mr. BIRDSALL. That is the procedure which is established at Walter Reed at the present time, and that is most desirable.

Mr. BROOKS. But it does not occur anywhere but at Walter Reed Hospital?

Mr. BIRDSALL. As I understand it, the War Department circular permits extension of that service and action is being taken to increase the number of stations.

The CHAIRMAN. Let me suggest: Isn't that for the benefit of wounded and disabled veterans? This is merely a question of mustering-out pay.

Now, still dealing with Mr. Brooks' question, hasn't the Selective Service Bureau set up an agency by which they notify every veteran as soon as he is brought into the hospital and in a formal way advise him as to just what his rights are, how to proceed, and also advise the Veterans' Administration?

Mr. BIRDSALL. They have a provision in their act, Mr. Chairman, covering reemployment and cooperation; and there is a Reemployment Division established with respect to that service. The Red Cross is at the hospitals and the Veterans' Administration will extend the contact service to patients.

The CHAIRMAN. Do you know of any agency of the Government that is not doing that, to facilitate these claims?

Mr. BIRDSALL. I think that that is one thing that they are doing.

The CHAIRMAN. Are there any further questions?

Mr. FENTON. Sergeant, I don't know whether I understood you correctly or not, but you are not still at Walter Reed Hospital?

Sergeant HENDRICK. Yes, sir.

Mr. FENTON. Did I understand you to say that you are under the care of a doctor?

Sergeant HENDRICK. In the doctor's hands now my discharge only. I am to be discharged.

Mr. COSTELLO. I would like to ask you about the man who might come back disabled, an ordinary soldier. What do you think of the value of \$100 as mustering-out pay, and then to provide for \$50 a month payments during such period as he may be unemployed or for a period of 6 months?

Sergeant HENDRICK. I will tell you. If you give him \$100 when he is first mustered out, he will have to buy clothing with that. Then if you give him \$50 a month from then on until he is employed, why doesn't he stay in the Army and get his \$50 a month, where his clothing and food and housing and medical care are furnished to him?

Mr. COSTELLO. You feel, do you, that that amount would not be adequate to cover the things that a discharged soldier will have to have physically in seeking a job?

Sergeant HENDRICK. That is right.

Also one more thing, Mr. Chairman.

This rehabilitation has been discussed, which is connected with mustering-out pay. But when you are mustered out or discharged from a hospital or the Army, you have still to wait until your claims are adjudicated before you can start in on your education. In other words, you have to sit around. You can't do a thing.

The CHAIRMAN. You will be paid your compensation until you can get into school or into some employment.

We are glad to have had your statement. We are much obliged to you.

The committee will now go into executive session.

(Thereupon, at 12:05 p. m., the committee went into executive session.)

The CHAIRMAN. We are pleased to have with us this morning a former member of this committee, the Honorable Jed Johnson, of Oklahoma. Will you please give us your views of this legislation, Mr. Johnson?

Mr. JOHNSON of Oklahoma. Mr. Chairman, may I express my appreciation for the opportunity of appearing before this important committee, the House Committee on Military Affairs, for the purpose of making a brief statement.

Several years ago, I had the pleasure of serving on this committee and I enjoyed my work on it very much. When I first became a member, the able gentleman from Michigan, Mr. Frank James, was the chairman. Later under Democratic control, I served under another distinguished and able chairman, the late Representative from Mississippi, Mr. Percy Quin. Still later, I served under the brilliant and lovable character whom some of you knew, Major McSwain, of South Carolina, who has also passed to his reward. The only present members of the committee with whom I had the pleasure of serving are your distinguished chairman, Hon. Andrew May and Hon. R. Ewing Thomason, of Texas. So it is with unusual pleasure that I appear here at this time.

Now, Mr. Chairman, my purpose in appearing at this time is to express my support and enthusiastic approval of proposed legislation now being considered by your committee to grant our men and women in the armed forces a reasonable and equitable mustering-out pay. It is not too early to think about this legislation, nor is it too soon for Congress to adopt a plan and enact legislation on the matter. If the plan is worked out, is fair and reasonable, it will have the effect of strengthening the morale in the armed forces. Conversely, if such a plan is neither fair nor reasonable, it is obvious that it would have the opposite effect on those now, or who will hereafter be, connected with our armed forces.

For example, Chairman May yesterday raised a very pertinent question when he stated on the floor of the House that one of the problems to be considered today was whether a person serving only a couple of weeks should receive the same muster-out pay as one who has had a couple of years of overseas service. To my mind, that ought not to be a difficult decision to make. Certainly those who have seen active foreign service are entitled to more muster-out pay than one who has served a few days or a few weeks in the homeland. Those of us who had a humble part in World War I will recall how extremely difficult it was for us to adjust ourselves after the long months overseas. Generally speaking, I think it is safe to say that the longer one has served in the armed forces with radically changed habits and environments, that the more difficult and the longer it will take for readjustment to civilian life, even though the soldier or sailor might be able to find a job or reenter the business or professional life where left off.

The gentleman from Louisiana has offered a bill that presents food for thought. If I remember its provisions correctly, it proposes simply to furlough all in the armed forces for a period of 3 months. Such a provision would immediately raise questions, if not serious complications. Aside from paying the man with 2 or 3 weeks' service his regular pay for 3 extra months, during his furloughed status, the

same as the man who had served 2 or 3 years, which is clearly indefensible, it proposes to pay high ranking Army and naval officers several times the same amount while on their furloughed status while at home looking for a job as would be paid the private soldier. Now, they may be worth several times the salary while actually in the Army. Having served as a buck private in France during World War I, even that proposition is at least debatable. But to say that a high-ranking officer should receive from \$1,500 to \$2,500 during that 3 months at home, while the buck private receives \$150 for the same period of adjustment cannot be defended and I give notice now that I shall oppose any such provision.

Then what, may you ask, is the answer? You remember that the so-called bonus bill, or adjusted-compensation measure enacted by the Congress for veterans of World War I paid the soldier \$1 for each day served in the home land and \$1.25 for each day in foreign service. Although the amount paid seems small, it did recognize the length of time in service.

Let me suggest that in this legislation, there should be a minimum and a maximum of muster-out pay. Just what that minimum and maximum should be is a problem for members of your distinguished committee and the Congress to work out and agree upon. It might be that 3 months' so-called furlough pay, or muster-out pay, would be reasonable for the minimum. If so the soldier or sailor with from 1 to 3 years' service is justly entitled to considerably more.

Of course, I realize that merely handing our Nation's defenders a few dollars or a few hundred dollars of muster-out pay will by no means solve the problem or pay the debt we owe them. We can never do that with mere dollars. My own feeling from my own experience is that all the average man or woman in uniform will want will be a job or a business with which to earn a decent and respectable living for himself or herself when that happy time comes that they can be mustered out of service. In the meantime, we must face this as well as many other problems that arise as a result of this tragic war fairly and courageously with justice to all.

The CHAIRMAN. Thank you very much, Mr. Johnson.

STATEMENT OF HON. JOHN R. MURDOCK, REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. MURDOCK. Mr. Chairman and gentlemen of the committee, you have been struggling for some time with a very difficult and yet vitally important matter of the proper treatment of our veterans of World War II, many of whom are being discharged at this moment. While I have a bill for that purpose which I think worthy of most careful consideration, I know that other Members have also introduced such measures, some more liberal, some less liberal than mine. I am sure that all these proposals have been given serious study by your committee.

I am appearing just now to present correspondence I have received from the department commander of the American Legion in Arizona and also from the Disabled American Veterans of the World War urging immediate and suitable action for the relief of the members of the armed forces who are now returning to us. I will not ask for more of the committee's time today but beg leave to submit the resolutions referred to.

(The matters referred to are as follows:)

THE DISABLED VETERANS OF THE WORLD WAR,
Phoenix, Ariz., December 11, 1943.

Mr. JOHN R. MURDOCK,

*Member of Congress, House Office Building,
 Washington, D. C.*

DEAR MR. MURDOCK: Attached hereto is resolution adopted by Phoenix Chapter, No. 1, Disabled American Veterans, which is self-explanatory.

Yes erday's press release indicates that the Senate has passed a bill embodying muster-out pay; therefore, would you please see if this amendment can be made to this bill when it reaches the House?

You probably have a similar resolution from the local post of the Veterans of Foreign Wars. The veterans in this community will unite behind this amendment, as these returning veterans are in need of some Congress assistance immediately.

Very truly yours,

JACK C. NORRED.

RESOLUTION

Whereas there is pending before Congress H. R. 923 and S. 1505, to grant financial relief to the members of the armed forces after the close of the war; and

Whereas these two bills do not take into account the thousands of members of the armed forces who are being discharged daily for various reasons, including disability incurred in line of duty; and

Whereas these disabled men must wait from 2 to 4 months after filing their claims with the Veterans' Administration before their cases are adjudicated; and

Whereas, during the interim, these disabled men are forced to live on charity or attempt to secure jobs which might jeopardize their conditions, because there is no direct Government relief available; and

Whereas these men are entitled now to the benefits contemplated in the two above-mentioned bills: Now, therefore, be it

Resolved by unanimous vote of Phoenix Chapter, No. 1, Disabled American Veterans. That our Representative in Congress be petitioned to amend the above-mentioned bills now before them by striking the words "after the close of the war" or to substitute the following sentence: Except that any person who receives a certificate of disability discharge shall be eligible immediately for the benefits of this act upon his release from the service.

Passed at a regular meeting of the chapter this 7th day of December 1943.

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
Phoenix, Ariz., November 26, 1943.

Hon. JOHN R. MURDOCK,

Representative, United States Congress, Washington, D. C.

MY DEAR MR. MURDOCK: Enclosed you will please find a copy of a resolution as passed by Maricopa Post, No. 720, Veterans of Foreign Wars, of Phoenix, Ariz.

This resolution is being sent to you with the hope that you will bring it to the attention of the National Congress.

I am sure you are aware that all legislation to date has no provisions for men being discharged with a certificate of disability. These men must wait from 3 to 6 months for their claims to be adjudicated by the Veterans' Administration, and while they are waiting they are subjects of local charities. On the most part these men are not fit for employment.

It is felt that these men should be retained on the Government subsistence until such time as their claims can be adjudicated by the Veterans' Administration, and they should not be subjects of local charities.

It is thought that an adjustment should be made to some bill, if not to the bills set out in the resolution, to correct this condition.

By direction of

ILEY C. ALLEN,
*Commander, Department of Arizona,
 Veterans of Foreign Wars.*

Attest:

[SEAL]

SAMUEL H. DUDDING, *Adjutant.*

RESOLUTION

Whereas there is pending before Congress H. R. 923 and S. 1505 to grant financial relief to the members of the armed forces after the close of the war, and

Whereas these two bills do not take into account the thousands of members of the armed forces who are being discharged daily for various reasons, including disability incurred in line of duty, and

Whereas these disabled men must wait from 2 to 4 months after filing their claims with the Veterans' Administration before their cases are adjudicated, and

Whereas during the interim these disabled men are forced to live on charity or attempt to secure jobs which might jeopardize their conditions, because there is no direct Government relief available, and

Whereas these men are entitled now to the benefits contemplated in the two above-mentioned bills: Now therefore be it

Resolved by unanimous vote of Maricopa Post, 720, Veterans of Foreign Wars of the United States. That our representatives in Congress be petitioned to amend the two above-mentioned bills now before them by striking the words: "after the close of the war" or to substitute the following sentence: "Except that any person who receives a certificate of disability discharge shall be eligible immediately for the benefits of this act upon his release from the service."

Passed at a regular meeting of the post this 23d day of November 1943.

W. B. HINTON,
Commander.

Attest:

GEO. F. RUNDLE,
Adjutant.

Approved this 26 day of November 1943.

ILEY C. AILEN,
Department Commander.

Official:
[SEAL]

SAMUEL H. DUDDING,
Adjutant.

THE AMERICAN LEGION.
Phoenix Ariz., December 10, 1943.

Hon. JOHN R. MURDOCK,
Member, House of Representatives, Washington, D. C.

DEAR MR. MURDOCK: I am enclosing herewith information which discloses deplorable conditions in handling cases of World War II disabled. This information is a result of a telegraphic survey by the American Legion of conditions in 34 States, including Arizona. In the group of specific instances of delays, please note that case No. 2 is an Arizona case.

We know that you are aware of the conditions regarding veterans in this State and that long delays in adjudication of cases will place a great burden upon the citizens of Arizona as well as placing the veterans who have claims pending in an embarrassing position. We strongly urge that you support any measures which will serve to correct the conditions which now exist. This is a problem which requires immediate action, and we request your attention to this matter.

Sincerely yours,

C. A. FIRTH, *Department Commander.*







United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, FIRST SESSION

Vol. 89

WASHINGTON, WEDNESDAY, DECEMBER 15, 1943

No. 196

Senate

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, author of liberty, we thank Thee this day for the wise and brave men who brought to the cradle of our infant Nation their gifts of unselfish devotion. We give Thee thanks for the clear vision of our forefathers who, when their own crimson sacrifice had broken the hateful chains of tyranny, refused to accept the coercive reins of even a benevolent government, setting the rights of the people above the rights of governors who are but the servants of freemen. We hail with joy the safeguards they erected, guaranteeing that in the sanctity of his person and the royalty of his convictions "man is man, and who is more." As we boast of these deeply grounded rights, which are the bulwark of our freedom, may we not lean upon them for selfish safety but constantly strengthen them by the same self-giving to the Nation's weal which marks for our immortal gratitude those who in dark and doubtful days pledged their lives, fortunes, and sacred honor to maintain the rights which are our heritage.

As soldiers of the common good deliver us from any thought or action which is treason against the freedom wrought for us by the founding fathers. Give truth to our words, sincerity to our hearts, and courage to our deeds in these times which are testing as by fire the treasure bequeathed to us. So may we in our day make patriotism beautiful with loyalty and dedication. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, December 13, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he also announced that on December 3, 1943, the President had

approved and signed the following acts and joint resolution:

S. 630. An act to amend section 107 of the Judicial Code, as amended, to change the terms of the District Court for the Middle District of Tennessee;

S. 759. An act conferring jurisdiction upon the United States District Court for the Eastern District of Tennessee to hear, determine, and render judgment upon the claim of W. I. Dooly;

S. 770. An act for the relief of Eddie Percle; S. 862. An act for the relief of the Grafton Boat Works;

S. 950. An act for the relief of the Milford Trust Co. and Blanche R. Bennett, as administrators of the estate of Charles E. Reed, deceased;

S. 1008. An act for the relief of Gerald G. Woods;

S. 1246. An act for the relief of Ervin S. Finley;

S. 1309. An act for the relief of Pan American Airways, Inc.;

S. 1382. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions; and

S. J. Res. 47. Joint resolution to provide for the appointment of a National Agricultural Jefferson Bicentenary Committee to carry out appropriate exercises and activities in recognition of the services and contributions of Thomas Jefferson to the farmers and the agriculture of the Nation.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|--------------|-----------------|----------------|
| Andrews | Clark, Mo. | Johnson, Colo. |
| Austin | Connally | Kilgore |
| Bailey | Danaher | La Follette |
| Ball | Davis | Langer |
| Bankhead | Dowhey | Lodge |
| Barkley | Eastland | Lucas |
| Bone | Ellender | McCarren |
| Brewster | Ferguson | McClellan |
| Bridges | George | McFarland |
| Brooks | Gerry | McKellar |
| Burton | Gillette | Maybank |
| Bushfield | Green | Mead |
| Butler | Guffey | Millikin |
| Byrd | Gurney | Moore |
| Capper | Hatch | Murdock |
| Caraway | Hayden | Murray |
| Chandler | Hill | Nye |
| Chavez | Holman | O'Mahoney |
| Clark, Idaho | Johnson, Calif. | Overton |

| | | |
|---------------|---------------|--------------|
| Radcliffe | Thomas, Okla. | Wallgren |
| Reed | Thomas, Utah | Walsh, Mass. |
| Revercomb | Truman | Walsh, N. J. |
| Robertson | Tunnell | Wheeler |
| Smith | Tydings | Wherry |
| Taft | Vandenberg | White |
| Thomas, Idaho | Van Nuys | Willis |

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Connecticut [Mr. MALONEY], the Senator from Texas [Mr. O'DANIEL], and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate because of illness.

The Senator from Florida [Mr. PEPPER] is absent on official business, holding hearings in Mississippi.

The Senator from Mississippi [Mr. BILBO], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Tennessee [Mr. STEWART], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Nevada [Mr. SCRUGHAM] is detained on public business.

Mr. WHITE. The Senator from Oregon [Mr. McNARY], the Senator from Vermont [Mr. AIKEN], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Iowa [Mr. WILSON] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on public business.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from New Hampshire [Mr. TOBEY] is absent because of public matters.

The Senator from Delaware [Mr. BUCK] is necessarily absent.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1576) to provide for the extension of certain oil and gas leases.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3598) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supple-

mental appropriations for the fiscal year ending June 30, 1944, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. POWERS were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3611) to authorize the appointment of court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SUMMERS of Texas, Mr. HOBBS, and Mr. HANCOCK were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2837. An act to fix the price of crude petroleum and its derivatives and fixing a parity formula; and

H. R. 3760. An act authorizing the President to present, in the name of Congress, a Distinguished Service Medal to Lt. Gen. Thomas Holcomb, United States Marine Corps.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution and they were signed by the Vice President:

S. 1544. An act authorizing the acquisition and conversion or construction of certain auxiliary vessels, landing craft, and district craft for the United States Navy, and for other purposes;

H. R. 255. An act for the relief of Col. E. H. Tarbutton;

H. R. 302. An act for the relief of Robert Griffin;

H. R. 977. An act for the relief of Clare A. Miller;

H. R. 1379. An act for the relief of Gerald Estell Proctor;

H. R. 1640. An act for the relief of Mrs. J. D. Price;

H. R. 1933. An act for the relief of Ronald A. Cox;

H. R. 2080. An act to provide temporary additional pay for equipment maintenance for each carrier in Rural Mail Delivery Service;

H. R. 2545. An act for the relief of Samuel J. D. Marshall;

H. R. 2641. An act to authorize the acquisition by exchange of certain lands for addition to the Sequoia National Park;

H. R. 3029. An act for the relief of Mrs. C. W. Selby;

H. R. 3299. An act for the relief of Victor H. Loftus, disbursing clerk, American Embassy, Mexico, D. F., Mexico; and

H. J. Res. 186. Joint resolution to provide for the proper observance of the one hundred and fifty-second anniversary of the adoption of the first 10 amendments to the Constitution, known as the Bill of Rights.

EXPRESSION BY DOMINICAN REPUBLIC ON ANNIVERSARY OF PEARL HARBOR OF SOLIDARITY WITH THE UNITED STATES

The VICE PRESIDENT laid before the Senate the following radiogram from the presidents of the Senate and the Chamber of Deputies of the Dominican Republic, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD:

[Translation]

Hon. HENRY A. WALLACE,
Vice President of the United States,
Washington, D. C.:

The Senate and Chamber of Deputies of the Dominican Republic in joint session today unanimously approved a resolution sponsored by the Honorable President Trujillo on the first anniversary of the treacherous Japanese attack on Pearl Harbor. It has just commemorated the day by reaffirming the solidarity of the Dominican Republic with the United States of North America and by affirming the faith of the Dominican people in the final victory of the United Nations. With this high motive, we have the honor to greet you and through you the honorable representatives of that great Nation which maintains with such glory and honor the highest ideals of liberty and justice for all the peoples of the earth.

M. DEJ. TRONCOSO DE LA CONCHA,
President of the Senate.

PORFIRIO HERRERA,
President of the Chamber of Deputies.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

LAWS OF MUNICIPAL COUNCILS IN VIRGIN ISLANDS

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation enacted by the Municipal Councils of St. Croix, and of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Territories and Insular Affairs.

EDUCATION AND TRAINING OF DEFENSE WORKERS

A letter from the Acting Administrator of the Federal Security Agency, transmitting, pursuant to law, the first quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period from July 1 to September 30, 1943 (with an accompanying report); to the Committee on Appropriations.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of War (11), Navy (2), and Interior; Executive Office of the President (Office for Emergency Management), Federal Security Agency, National Housing Agency, and the War Manpower Commission (National Youth Administration) which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking toward their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS •

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution of the State Aeronautical Commission of Colorado protesting against Congress taking any action upon legislation giving to the Federal Government regulation and control over intrastate air commerce until the conclusion of the present war; to the Committee on Commerce.

A letter in the nature of a memorial from Ernest Folkerts, of Mount Olive, Ill., remonstrating against the imposition of taxes on nonbeverage alcohol, so that such alcohol may continue to be used in certain extracts and medicine at present ceiling levels; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the District of Columbia:

S. 1546. A bill to amend an act relating to the incorporation of Providence Hospital, Washington, D. C., approved April 8, 1864; without amendment (Rept. No. 599);

S. 1554. A bill to amend the act entitled "An act to change the name of Conduit Road in the District of Columbia," approved March 4, 1942; without amendment (Rept. No. 600);

S. 2199. A bill to amend an act entitled "An act in relation to taxes and tax sales in the District of Columbia," approved February 28, 1898, as amended; without amendment (Rept. No. 601); and

H. R. 3691. A bill to permit the construction, maintenance, and use of certain pipelines for steam-heating purposes in the District of Columbia; without amendment (Rept. No. 602).

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

S. 1543. A bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes; with amendments (Rept. No. 603).

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

S. 1579. A bill to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma," approved January 27, 1933; without amendment (Rept. No. 604).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 1593. A bill for the relief of the heirs and assigns of Widow Cesaire De Blanc; to the Committee on Public Lands and Surveys.

By Mr. LANGER:

S. 1594. A bill for the relief of Dr. Joseph H. Plant; to the Committee on Finance.

(MR. LANGER also introduced Senate bill 1595, which was referred to the Committee on Immigration, and appears under a separate heading.)

Calendar No. 610

78TH CONGRESS
1st Session {

SENATE

{ REPORT
No. 603

MUSTERING-OUT PAYMENT ACT OF 1943

DECEMBER 15, 1943.—Ordered to be printed

Mr. JOHNSON of Colorado, from the Committee on Military Affairs,
submitted the following

R E P O R T

[To accompany S. 1543]

The Committee on Military Affairs, to whom was referred S. 1543, by Senator Barkley, to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that it do pass, as amended.

On November 23, 1943, Franklin D. Roosevelt, President of the United States, sent a message to the Congress requesting post-war benefits to members of the armed forces. This message follows:

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING A REQUEST FOR PASSAGE OF LEGISLATION TO GRANT TO ALL VETERANS OF OUR ARMED FORCES MUSTERING-OUT PAY, A UNIFORM SYSTEM OF ALLOWANCES FOR UNEMPLOYED VETERANS; ALSO LEGISLATION TO AMEND THE FEDERAL OLD-AGE AND SURVIVORS' INSURANCE LAW TO INCLUDE ALL VETERANS OF THE PRESENT WAR

To the Congress of the United States:

All of us are concentrating now on the one primary objective of winning this war. But even as we devote our energy and resources to that purpose, we cannot neglect to plan for things to come after victory is won.

The problem of reconverting wartime America to a peacetime basis is one for which we are now laying plans to be submitted to the Congress for action. As I said last July:

The returning soldier and sailor and marine are a part of the problem of demobilizing the rest of the millions of Americans who have been working and living in

a war economy since 1941. * * * But the members of the armed forces have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems.

At that time I outlined what seemed to me to be a minimum of action to which the members of our armed forces are entitled over and above that taken for other citizens.

What our service men and women want, more than anything else, is the assurance of satisfactory employment upon their return to civil life. The first task after the war is to provide employment for them and for our demobilized war workers.

There were skeptics who said that our wartime production goals would never be attained. There will also be skeptics who will question our ability to make the necessary plans to meet the problems of unemployment and want after the war. But, I am confident that if industry and labor and government tackle the problems of economic readjustment after the war with the same unity of purpose and with the same ingenuity, resourcefulness, and boldness that they have employed to such advantage in wartime production, they can solve them.

We must not lower our sights to pre-war levels. The goal after the war should be the maximum utilization of our human and material resources. This is the way to rout the forces of insecurity and unemployment at home, as completely as we shall have defeated the forces of tyranny and oppression on the fields of battle.

There are, however, certain measures which merit the immediate attention of the Congress to round out the program already commenced for the special protection of the members of the armed forces.

The Congress has already enacted a generous program of benefits for servicemen and for the widows and dependents of those killed in action.

For example:

(1) Under the National Service Life Insurance Act, life insurance at low premium rates is now available to members of the armed forces in amounts not less than \$1,000 and not more than \$10,000 per person. A total of nearly \$90,000,000,000 of insurance has already been applied for.

(2) In addition, provision has been made, under the Soldier's and Sailors' Relief Act, for the guaranty by the Government of the payment of premiums on commercial policies held by members of the armed forces while in service. Premiums on insurance totaling \$135,582,000 have been guaranteed as a result of 56,276 applications by servicemen for such relief.

(3) The Congress has also enacted legislation making provision for the hospitalization and medical care of all veterans of the present war, and for the vocational rehabilitation and training of those suffering from disability incurred in, or aggravated by, military service, when such disability results in a vocational handicap preventing reemployment. Similar provision has been made for the rehabilitation of disabled persons in civil life, who, with proper training, can be equipped to play a useful part in the war effort at home. Men who are rejected for military service because of physical or mental defects, or who are discharged from the armed forces because of a disability existing at the time of induction, are thus eligible for such

rehabilitation services and training as may be necessary and feasible in order to fit them for useful and gainful employment.

(4) By recent legislation, our present service men and women have been assured the same pension benefits for death or disability incurred in the line of duty while in active military service as are provided for the veterans of prior wars. The pension rates for the family of those killed in this war were recently increased by the Congress.

The Veterans' Administration will, from time to time, request the consideration by the Congress of various amendments of existing laws which will facilitate administration, and which will correct any defects in our present statutory scheme which experience may disclose. I am confident that the Congress, in line with the historic policy of this Government toward its ill, injured, and disabled service men and women, will provide generous appropriations to the Veterans' Administration with which to carry out these laws.

(5) Numerous other measures have been adopted for the protection of our servicemen such as the Soldiers' and Sailors' Civil Relief Act, suspending the enforcement of certain obligations against members of the armed forces, the creation of reemployment rights under the Selective Service Act, and the provision for emergency maternity care to the wives and infants of enlisted men.

However, I believe that we must go much further.

We must make provision now to help our returning service men and women bridge the gap from war to peace activity. When the war is over our men and women in the armed forces will be eager to rejoin their families, get a job, or continue their education, and to pick up the threads of their former lives. They will return at a time when industry will be in the throes of reconversion. Our plans for demobilization of soldiers and sailors must be consistent with our plans for the reconversion of industry and for the creation of employment opportunities for both servicemen and war workers. Already the armed forces have returned many thousands of service men and women to civil life.

The following further steps seem desirable now:

(1) To help service men and women tide over the difficult period of readjustment from military to civilian life, mustering-out pay will be needed. It will relieve them of anxiety while they seek private employment or make their personal plans for the future. I, therefore, recommend to the Congress that it enact legislation and provide funds for the payment of a uniform, reasonable mustering-out pay to all members of the armed forces upon their honorable discharge or transfer to inactive duty. This pay should not be in a lump sum but on a monthly installment basis.

(2) We must anticipate, however, that some members of the armed forces may not be able to obtain employment within a reasonable time after their return to civil life. For them, unemployment allowances should be provided until they can reasonably be absorbed by private industry.

Members of the armed services are not now adequately covered by existing unemployment insurance laws of the States. It is estimated that approximately one-half of them will have no unemployment insurance protection at all when they leave military service. Benefits

payable to those who are covered by State law are unequal, and will vary greatly among the States because of the wide differences in the provisions of the State laws. The protection in many cases will be inadequate. It is plainly a Federal responsibility to provide for the payment of adequate and equitable allowances to those service men and women who are unable to find employment after their demobilization.

For these reasons, I recommend to the Congress that a uniform system of allowances for unemployed service men and women be established.

I believe that there should be a fixed and uniform rate of benefit for a fixed period of time for all members of the armed forces who, after leaving the service, are unable to find suitable work. In order to qualify for an unemployment allowance each person should be obliged to register with the United States Employment Service, and, following the usual practice in unemployment insurance, must be willing to accept available and suitable employment, or to engage in a training course to prepare him for such employment. The protection under this system should be continued for an adequate length of time following the period for which mustering-out payment is made.

At present, persons serving in the merchant marine are not insured under State unemployment insurance laws, primarily because the very nature of their employment carries them beyond the confines of any particular State. I believe that the most effective way of protecting maritime workers against post-war unemployment is to enact without delay a Federal maritime unemployment insurance act. There has been in effect since 1938 a railroad unemployment insurance act, and a similar act for maritime workers is long overdue. Marine workers are, however, insured under the existing Federal old-age and survivors' insurance law.

(3) Members of the armed forces are not receiving credit under the Federal old-age and survivors' insurance law for their period of military service. Credit under the law can be obtained only while a person is engaged in certain specific types of employment. Service in the armed forces is not included in these types. Since the size of the insurance benefits depends upon the total number of years in which credits are obtained, the exclusion of military service will operate to decrease the old-age retirement benefits which will eventually be payable to service men and women. Furthermore, a large number of persons whose dependents were protected by the survivors' insurance benefits at the time they entered the armed forces, are losing entirely those insurance rights while they are in service.

I, therefore, recommend that the Congress enact legislation to make it possible for members of the armed forces to obtain credit under the Federal old-age and survivors' insurance law during their period of military service. The burden of this extension of old-age and survivors' insurance to members of the armed forces should be carried by the Federal Government, and the Federal contributions should be uniform for all members of the armed forces irrespective of their rank.

I have already communicated with the Congress requesting the enactment of legislation to provide educational and training oppor-

tunities for the members of the armed forces who desire to pursue their studies after their discharge.

The Congress will agree, I am sure, that, this time, we must have plans and legislation ready for our returning veterans instead of waiting until the last moment. It will give notice to our armed forces that the people back home do not propose to let them down.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, November 23, 1943.

Thereafter, on November 26, Senate bill 1543 was introduced by the senior Senator from Kentucky (Mr. Barkley) carrying out that part of the President's message recommending mustering-out pay for the members of the armed forces.

This bill was referred to the Committee on Military Affairs, which in turn referred it to a subcommittee.

After careful consideration, the subcommittee reported S. 1543 to the full committee with the recommendation that it be reported favorably by the full committee as drawn.

The full Committee on Military Affairs thereupon revised the bill, S. 1543, and ordered it reported to the Senate and recommended that it be enacted into law as revised and amended.

The revised bill reads as follows:

That each member of the armed forces of the United States, who shall have been engaged in active service in the present war, discharged or relieved from active service under honorable conditions, on or after December 7, 1941, shall be eligible to receive mustering-out payment: *Provided*, That mustering-out payment shall not be made to any person who, at the time of discharge or relief from active service, holds a commission, either permanent, temporary, or in any reserve capacity, of any rank above that of colonel in the Army, or of any equivalent rank in any of the other branches of the armed service of the United States: *Provided further*, That such payment shall not be made to members of the armed forces who, at the time of discharge or relief from active service, are transferred or returned to the retired list with retirement pay or to a status in which they receive retirement pay: *Provided further*, That such payment shall not be made to members of the armed forces who have had no service outside of the continental limits of the United States or in Alaska and who are discharged or relieved from active service solely on their own initiative for occupational reasons.

Sec. 2. Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

- (a) \$500 for persons who have served outside the continental limits of the United States or in Alaska for eighteen months or more after December 6, 1941.
- (b) \$400 for persons who have served outside the continental limits of the United States or in Alaska for twelve to eighteen months after December 6, 1941.
- (c) \$300 for persons who have served outside the continental limits of the United States or in Alaska for less than twelve months after December 6, 1941.
- (d) \$300 for persons who have served within the continental limits of the United States (excluding Alaska) for twelve months or more after December 6, 1941.
- (e) \$200 for persons who have served within the continental limits of the United States (excluding Alaska) for less than twelve months after December 6, 1941.

Each individual eligible to receive mustering-out payment shall receive one-third of the stipulated amount at the time of discharge or relief from active duty. The remaining amount of mustering-out payment shall be made in two equal installments—one month and two months, respectively, from the date of the original payment.

Sec. 3. Any member of the armed forces entitled to mustering-out payment but who shall have been discharged or relieved from active service under honorable conditions before the effective date of this Act shall receive the benefits thereof, beginning within one month after application has been made by such person and received by the appropriate department: *Provided*, That no person entitled to benefit under this Act shall receive mustering-out payment more than once, and

such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

SEC. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

SEC. 5. No part of the mustering-out payment authorized by this Act shall be subject to deduction in settlement of debts due the United States or instrumentalities thereof, nor shall such payment be assignable or subject to the claims of creditors of any person to whom or on behalf of whom it is paid; and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

SEC. 6. As used in this Act—

(a) The term "member of the armed forces of the United States" means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

(b) The term "spouse" means a lawful wife or husband.

(c) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

(d) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. The Secretary of War and the Secretary of the Navy shall administer this Act within their respective services.

SEC. 8. This Act may be cited as "Mustering-out Payment Act of 1943."

Amend the title so as to read: "A bill to provide for mustering-out payments to members of the armed forces, and for other purposes."

Mr. Warren H. Atherton, national commander of the American Legion, appeared before the Senate Military Affairs Committee on behalf of the Barkley bill and endorsed mustering-out pay as proper and necessary. The Veterans of Foreign Wars and the Disabled American Veterans have also endorsed mustering-out pay as being essential and advisable.

Section 1 provides that each member of the armed forces of the United States, who shall have been engaged in active service in the present war, shall be eligible to receive mustering-out payment upon discharge or relief from active service under honorable conditions, on or after December 7, 1941. Such mustering-out payment would not be made to any person who, at the time of discharge or relief from active service, holds a commission, either permanent, temporary, or in any reserve capacity, of any rank higher than that of colonel in the armed forces. It would further preclude payment to members of the armed forces if, at the time of discharge or relief from active service, they are transferred or returned to the retired list with retirement pay or to a status in which they receive retirement pay. No benefits shall accrue to members of the armed forces who have had no service outside the continental limits of the United States and who are discharged or relieved from active service solely on their own initiative for occupational reasons.

The payments provided by section 2 are as follows:

For persons who have served outside the continental limits of the United States after December 6, 1941:

- (a) For 18 months or more, \$500.
- (b) For 12 to 18 months, \$400.
- (c) Less than 12 months, \$300.

For persons who have served within the continental limits of the United States after December 6, 1941:

- (a) For 12 months or more, \$300.
- (b) Less than 12 months, \$200.

One-third of the amount due, to be paid at the time of discharge. The remaining amount to be paid in two equal installments 1 month and 2 months respectively from the date of original payment.

Section 3 provides that persons entitled to the benefits who have been discharged or relieved from active service under honorable conditions before the effective date of the act shall receive mustering-out payment beginning within 1 month after application has been made. However, no person entitled to benefits under the act would receive payment for more than one period of service and payment would accrue and the amount thereof would be computed as of the time of separation from active service.

It is provided in section 4 that where any person entitled to the benefits of the act dies before receiving any portion of the mustering-out payment, the balance of the amount due him shall be paid to his surviving spouse, if any, or if no surviving spouse, to his child or children, if any, and if no surviving spouse, child, or children, then to his surviving parent or parents, if any, but payments shall be made to no other persons than the ones named.

It is provided by section 5 that the mustering-out payments shall not be subject to deduction in settlement of debts due the United States or any instrumentalities thereof and shall not be assignable, subject to claims of creditors, liable to attachment, levy, or seizure under any legal or equitable process.

The term "member of the armed forces of the United States" as defined by section 6 of the bill includes any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, and any of their respective components.

Section 7 authorizes the appropriation of such sums as may be necessary to carry out the provisions of the act and provides that the Secretary of War and the Secretary of the Navy shall administer the act within their respective services.

Section 8 provides that the act shall be known as the Mustering-Out Payment Act of 1943.

It is believed that the provisions of this bill will aid materially in solving the problem of reconverting war-time America to a peace-time basis by providing the returning soldier, sailor, or marine with ready funds upon his discharge from the service so that he may be assured of having the necessary means during the period in which he is seeking satisfactory employment in civil life.

The report of the War Department on S. 1543 follows:

WAR DEPARTMENT,
Washington, December 10, 1943.

Hon. ROBERT R. REYNOLDS,

*Chairman, Committee on Military Affairs,
United States Senate.*

DEAR SENATOR REYNOLDS: The War Department has given consideration to S. 1543, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

The introduction of the bill followed receipt of the President's message of November 23, 1943, to the Congress, recommending the enactment of legislation to provide funds for the payment of a uniform reasonable mustering-out pay on

a monthly installment basis to all members of the armed forces upon their honorable discharge or transfer to inactive duty.

Specifically, the bill would authorize the Secretary of War and the Secretary of the Navy, within their respective services, to pay mustering-out pay in three \$100 monthly installments to all members of the armed forces of the United States, with certain exceptions, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941. Any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the armed services and any person who at the time of discharge or relief from active duty shall be eligible for placement on the retired list would not be entitled to mustering-out pay. All payments of mustering-out pay would be suspended in the case of persons selected for training under the Servicemen's Education and Training Act of 1943 (not yet enacted) during the time that such person has been selected for attendance at an approved educational institution. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of the act shall receive the first installment 1 month after the effective date of the act. Provision is made for the payment to the surviving widow, and if there be no widow then in equal shares to minor children, and if there be no widow or minor children, then in equal shares to surviving parents of any mustering-out pay which would have been paid to a member of the armed forces who dies after his discharge or relief from active duty before receiving the full amount of such pay payable to him.

The War Department is in accord with the general objective to help service men and women tide over the difficult period of readjustment from military to civilian life. The enactment of such legislation at this time will give notice to our armed forces, as the President stated in his message, "That the people back home do not propose to let them down."

Since it may be helpful to the committee in giving consideration to this proposed legislation to have the benefit of the War Department's experience and analysis of the bill, certain provisions are hereinafter discussed in some detail.

Lines 3-8 of page 1 of the proposed legislation provide "That all members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay." Since Congress has generally required in legislation of this character that no person should receive benefits when discharged under other than honorable conditions, it is believed that it should be pointed out that the verbiage referred to in S. 1543 would make eligible to receive mustering-out pay persons who have resigned for the good of the service or have received discharges for any one of a number of reasons such as minority, dependency, fraudulent enlistment or induction, desertion in some instances, inaptness or undesirable habits or traits of character, or conviction by a civil court. The War Department believes that no exception should be made of legislation providing for mustering-out pay that would not be applicable to other types of legislation granting benefits. It is desired to point out that this would be an exception to the usual provisions of legislation granting benefits.

It is noted that the bill provides, lines 8-11, page 1, and line 1, page 2, "That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services." If it is the desire of Congress to make ineligible for mustering-out pay those commissioned officers drawing pay of the grade of major or above, then it would seem that the language of the bill should describe the classification of persons who are ineligible by pay period rather than by rank since a captain in the Army with sufficient number of years service may be drawing the base pay of the fourth pay period to which a major is initially entitled. Such a change would cover the cases of Army and Navy nurses who do not hold commissions but hold relative rank with commissioned officers.

The proviso on page 2, lines 2-5, inclusive, reading "That mustering-out pay shall not be payable to members of the armed forces, who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list" is ambiguous to the War Department. Only members of the Regular Army are entitled to be retired, although officers of other components may be, under certain circumstances, entitled to retirement pay. It is believed that this language could be clarified.

The proviso commencing with line 11 and ending with line 15 on page 2 of the bill "That, in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments under this act shall be suspended during the time that such person has been selected for attendance at an approved educational institution," appears to suspend the payment of benefits granted by the bill but not exclude those persons taking advantage of the Servicemen's Education and Training Act. The legislation for education and training was recommended by the President in his message to the Congress on November 23, 1943, but has not yet been enacted into law. It would therefore seem desirable that this language be excluded from this bill and that consideration be given to the suspension of mustering-out pay to such persons by way of a provision in the bill providing for education and training.

Section 3 of the bill reading as follows: "Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this act shall receive the first installment of their mustering-out pay 1 month after the effective date of this act" does not require any affirmative act on the part of the eligible person to receive the first installment of mustering-out pay. It should be borne in mind that this section deals with men who will have been discharged from the service before the effective date of the act, and in order to avoid the confusion which would result from making payments on the basis of records which may be obsolete in many cases as to the addresses of those who are discharged or relieved, and as to whether they are living or dead, it is recommended that section 3 be amended so that it will provide that benefits will be paid within 1 month after application has been made by the person entitled thereto and received by the War Department.

In view of the fact that section 4 of the bill provides for the payment of the benefits to certain survivors where the veteran is deceased, it is believed that the language of the bill should require an application from the eligible beneficiary.

By the terms of section 3 of the bill individuals who have been discharged from the Army, such as persons who were in the status of enlisted men, have completed officers' training courses, and have since become commissioned officers would be entitled to receive benefits under this bill while on active duty in a pay status and such payments would presumably defeat the purposes of the bill. No prohibition is provided in the bill to prevent payments to an individual for more than one contract of service. In other words, the bill would authorize the sum of \$300 to an enlisted man who was discharged to accept a commission and another payment of \$300 to the same individual upon release from active duty or discharge under his commission. In some cases the absence of such a prohibition might result in the granting of even more than two awards of \$300.

Section 4 of the bill provides the following: "If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of the mustering-out pay payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any; and if he shall leave no surviving widow, then in equal shares to his minor children, if any; and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this act shall be made to any other person." It is suggested that it would be desirable to amend the section so as to include cases involving a single child or a single parent. In view of the fact that there are now in the armed services married female personnel such as Army nurses and members of the Woman's Army Corps, a veteran's sole survivor may be a widower rather than a widow.

The committee may also desire to give consideration to the exclusion from the benefits of the bill (1) persons discharged on their own application to take immediate employment; (2) persons who were employees of the United States Government, its Territories or possessions, or the District of Columbia, who are entitled to their former positions or positions of like seniority, status, and pay under provisions of section 8 of the Selective Service and Training Act of 1940, as amended; and (3) cases of Air Corps Reserve officers who are entitled to a lump-sum payment of \$500 in addition to their pay and allowances under the act of June 16, 1936 (49 Stat. 1524), after the completion of 3 years' service.

The bill makes no mention of any distinction between individuals of long length of service and persons of short length of service, nor any distinction between persons with dependents and those without dependents, and no provision is made for exemption of mustering-out pay from taxation. It is recommended that a new section be proposed to read as follows:

"No part of the mustering-out pay authorized by this act shall be subject to deduction in settlement of debts due the United States or instrumentalities

thereof, nor shall such pay be assignable or subject to the claims of creditors of any person to whom or on behalf of whom they are paid; and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever."

In view of the fact that it cannot be determined at the present time how many persons will be retained in the service or for what periods, or what persons may be discharged who are not eligible for benefits under the act, its over-all cost cannot be estimated. With respect, however, to the persons who have already been discharged or relieved from active duty up to the present time, it is estimated that the cost would be roughly a quarter of a billion dollars.

Inasmuch as the committee has requested that this report be expedited, it is submitted without a determination by the Bureau of the Budget as to whether it conforms to the program of the President.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

The report of the Navy Department on S. 1543 follows:

NAVY DEPARTMENT,
Washington, December 10, 1943.

Hon. ROBERT R. REYNOLDS,

*Chairman of the Committee on Military Affairs,
United States Senate.*

MY DEAR MR. CHAIRMAN: The bill S. 1543 to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, was referred to the Navy Department by your committee with request for views thereon.

The purpose of the proposed legislation is to provide mustering-out pay for members of the armed forces, discharged or relieved from active duty after December 7, 1941. A total of \$300 would be payable each eligible veteran, \$100 at the time of discharge or relief from active duty, and the remainder in two consecutive monthly installments. Those discharged prior to the legislation becoming law receive their first installment 1 month after such date. Payments under the act would be suspended in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, during the period of such training.

Veterans on discharge or relief from active duty under other than dishonorable conditions would be eligible for mustering-out pay unless at the time such individual (a) holds a commission, either permanent or temporary of any rank above captain in the Army, or of equivalent rank in any of the armed forces or, (b) is eligible for placement on the retired list. The bill would provide for payment to the surviving widow, if any, or if none, to minor children, if any, of a veteran who dies after discharge, or relief from active duty, and before receiving all his mustering-out pay.

The proposed legislation is one of several types of relief under consideration as part of a program to cope with economic effects of demobilization on discharged veterans, and appears designated to afford them immediate relief on termination of their military service.

The Navy Department is in accord with the general principles of granting mustering-out pay to afford this immediate relief, but believes that legislation to this end should be integrated with other demobilization measures. Accordingly, comments by the Navy Department on H. R. 1543 will be limited to pointing out a few of the features of the measure which merit very careful consideration because of their importance to the general problem, rather than making detailed comments on technicalities and suggestions as to the form of specific amendments.

The controlling date of December 7, 1941, would require including in the measure many who have been discharged for reasons such as their having reached 38 years of age, or because their services were deemed essential in vital war industry. It might be stated that, in general, the problem of unemployment has not faced such individuals, but instead they have found industrial, agricultural, or professional employment at remuneration, on the average, far in excess of their military pay and allowances. The impact of general demobilization will not fall upon these individuals because of their termination of military service, but any unfortunate consequences they may suffer will be the same as others in civilian life at the time of general demobilization, as their discharge during the present activity in industrial operations and manpower shortage should result in their almost immediate absorption into remunerative employment.

The measure appears to contemplate that its benefits will be limited to those who will, in general, be faced with need of immediate relief, and excludes those

whose military rank provides substantial pay and allowances, and those who are eligible for retirement. It should be pointed out in this connection, however, that the pay period and the total pay of an officer is dependent upon length of service as well as rank. Consideration of this fact should be given in framing any conditions of eligibility for the benefits of the bill.

The matter of the eligibility of certain officers for the benefits of this bill should also be considered from the angle of accumulated leave. An officer or warrant officer is privileged to accumulate leave at the rate of 2½ days per month while on active duty, to a maximum of 4 months' leave. Whenever such an officer is to be separated from active duty, it is the policy of the Navy Department to grant to him such leave as he will have accumulated before he is transferred to an inactive status. During this period he receives full pay and allowances. Under the provisions of this bill, he would, in addition, receive the \$300 mustering-out pay.

The exclusion based on eligibility for retirement should be determined after review of existing law relating to retirement. The last proviso in section 1 provides that mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or release from active duty, shall be eligible for placement on the retired list. The Naval Reserve Act of 1938 provides for the placing of officers of the Naval Reserve on the honorary retired list "without pay or allowances." It is assumed that this provision intended to deny the mustering-out pay only to those who are placed on the retired list under laws which make them eligible for retired pay. If this assumption is correct, it is recommended that the bill be amended to provide for denying the mustering-out pay to those eligible for placement on the retired list with retired pay.

It should also be pointed out that under the provisions of the act of August 27, 1940, Public Law 775, Seventy-sixth Congress, members of the Naval Reserve or Marine Corps Reserve who are called or ordered to active service for periods in excess of 30 days, who suffer disability in line of duty or from disease or injury are entitled to receive the same retirement pay among other benefits as now or may hereafter be provided by law or regulation for members of corresponding grades in the Regular Navy or Marine Corps. It will not be possible to determine, at the time such members are released from active duty, if they might later be found eligible for retirement with retired pay because of a disability incurred while in active service. Since the determination of the eligibility for retirement will not always definitely be known at the time of release from active duty, this provision will involve complications in determining entitlement to mustering-out pay at the time of release from active duty. For example, the mustering-out pay might be paid to the individual and he or she be subsequently placed on the retired list with retired pay under the provisions of the act of August 27, 1940, because of a physical condition existing when the mustering-out pay was paid, but without knowledge by him or the Department that he was then eligible for retirement.

The exclusion based on the type of discharge from service is limited to those discharged "under dishonorable conditions." Discharge may be for bad conduct in the service, on sentence of a general or summary court martial, it may arise from misstatements in connection with enlistment or appointment, or from other causes. Very careful consideration should be given to this condition of eligibility for benefits, particularly if it is decided that individuals discharged prior to termination of hostilities are to be covered. It is suggested that the bill should be clarified in specifying the types of discharge which would be required for eligibility to benefits, or, if it is intended that the interpretations placed on the words "under dishonorable conditions" by the Administrator of Veterans' Affairs, in administering other acts should be followed by the Navy Department, it is suggested that this be clearly indicated.

The question as to whether the proposed payments will be considered as pay for military service within the meaning of the exemption provisions of the tax laws, and whether such payments shall be given a special exemption will doubtless be considered by your committee. It should be pointed out that subjecting any such payments to withholding provisions of the tax laws would involve considerable administrative difficulties, and would tend to cause delays in making payments.

Another matter of concern in connection with the administration of S. 1543 is the provision requiring that payment to those who have already been mustered out of the service shall be made within a month of the effective date of the proposed measure. Many payments would be required to persons whose whereabouts are at present unknown to the Navy Department. Further, it will be found that some of these veterans will have died, and it will be necessary to determine whether there is a surviving widow, or if none, minor children entitled

to payment. For this reason, it is recommended that the provision as to the time within which payment is to be made should be so modified as to require payment within a month only where such payment may be practically effected within such time.

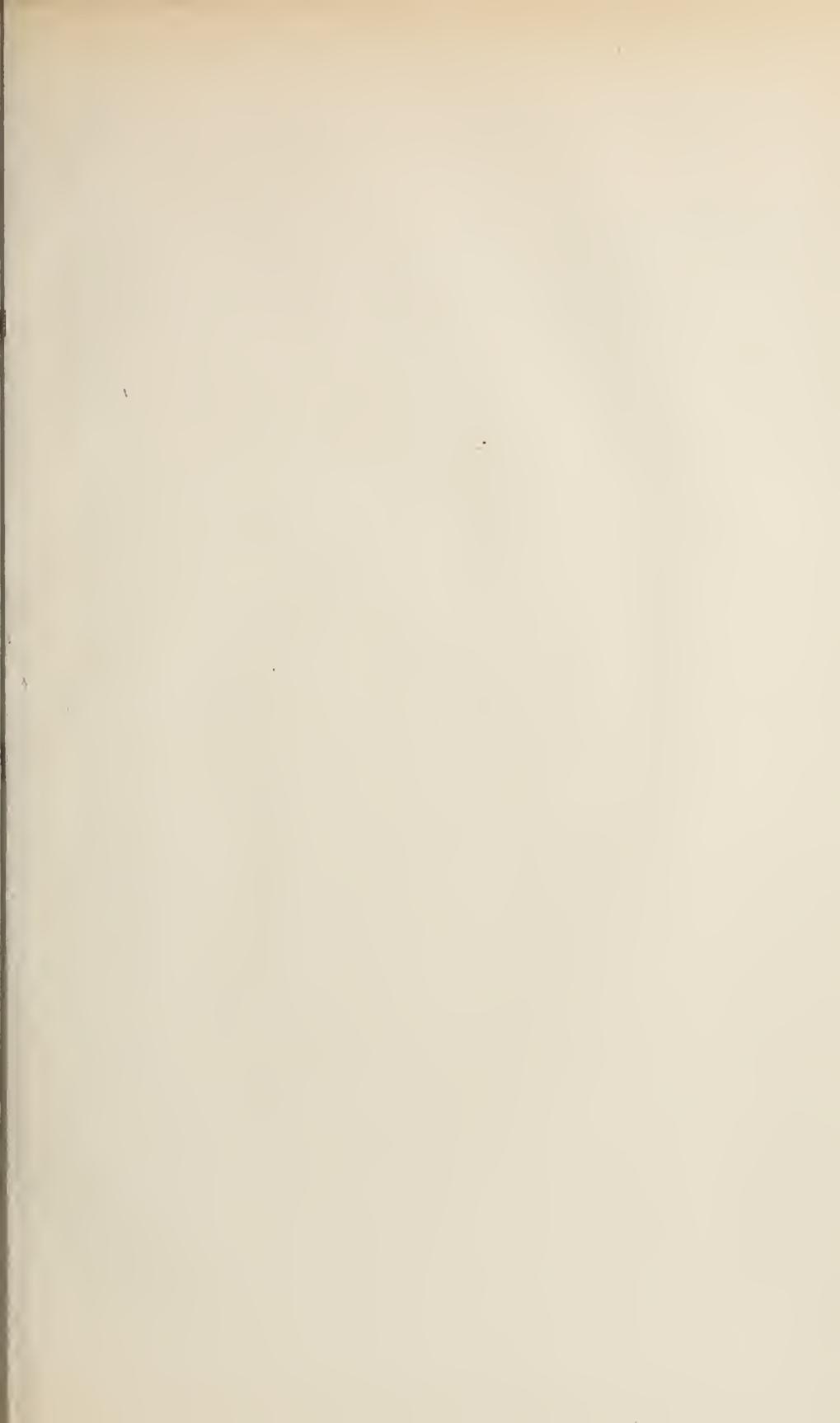
It is also recommended that if the provision for paying surviving widows and minor children is retained in the bill, the terms should be either defined specifically or incorporation made by reference of definitions in other laws. It is also recommended that provisions either be inserted or incorporated by reference, authorizing payment to individuals standing in loco parentis, or other proper custodial relationship, as determined by the Secretary of the department concerned in the case of minors or other legally incompetent beneficiaries, so as to avoid the expense of appointment of guardians or committees.

Subject to the foregoing comments and recommendations, the Navy Department favors the enactment of the bill S. 1543.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of this recommendation.

Sincerely yours,

FRANK KNOX,
Secretary of the Navy.



Calendar No. 610

78TH CONGRESS
1ST SESSION

S. 1543

[Report No. 603]

IN THE SENATE OF THE UNITED STATES

NOVEMBER 26 (legislative day, NOVEMBER 18), 1943

Mr. BARKLEY introduced the following bill; which was read twice and referred to the Committee on Military Affairs

DECEMBER 15, 1943

Reported by Mr. JOHNSON of Colorado, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That all members of the armed forces of the United States,*
4 *who shall have been in active service during the present war*
5 *and who shall have been discharged or relieved from active*
6 *duty under other than dishonorable conditions after Decem-*
7 *ber 7, 1941, shall be eligible to receive mustering-out pay:*

8 *Provided,* That mustering-out pay shall not be payable to
9 any person who, at the time of discharge or relief from
10 active service, holds a commission, either permanent or
11 temporary, of any rank above captain in the Army, or of

1 any equivalent rank in any of the other armed services:
2 *Provided further*, That mustering-out pay shall not be pay-
3 able to members of the armed forces who, at the time of
4 discharge or relief from active duty, shall be eligible for
5 placement on the retired list.

6 SEC. 2. Mustering-out pay, for persons eligible under
7 section 1, shall be in the sum of \$300. \$100 of mustering-
8 out pay shall be paid to all eligible persons at the time of
9 discharge or relief from active duty. The remaining amount
10 of mustering-out pay shall be paid in two consecutive
11 monthly installments: *Provided*, That, in the case of persons
12 selected for training under the Servicemen's Education and
13 Training Act of 1943, all payments under this Act shall
14 be suspended during the time that such person has been
15 selected for attendance at an approved educational institution.

16 SEC. 3. Members of the armed forces entitled to muster-
17 ing out pay who shall have been discharged or relieved from
18 active duty under other than dishonorable conditions before
19 the effective date of this Act shall receive the first install-
20 ment of their mustering out pay one month after the effective
21 date of this Act.

22 SEC. 4. If any member of the armed forces, after his
23 discharge or relief from active duty, shall die before receiv-
24 ing the full amount of the mustering-out pay payable to
25 such person, the amount which he would have received had

1 he lived shall be payable to his surviving widow, if any;
2 and if he shall leave no surviving widow, then in equal shares
3 to his minor children, if any; and if he shall leave no surviv-
4 ing widow or minor children, then in equal shares to his sur-
5 viv ing parents, if any: *Provided*, That no payments under
6 this Act shall be made to any other person.

7 **SEC. 5.** The term "member of the armed forces of the
8 United States" as used herein means any member of the
9 Army of the United States, the United States Navy, the
10 United States Marine Corps, the United States Coast Guard,
11 or any of their respective components.

12 **SEC. 6.** There are hereby authorized to be appropriated
13 such sums as may be necessary to carry out the provisions
14 of this Act. The Secretary of War and the Secretary of
15 the Navy shall administer this Act within their respective
16 services.

17 **SEC. 7.** This Act may be cited as "The Musterling Out
18 Pay Act of 1943."

19 *That each member of the armed forces of the United States,*
20 *who shall have been engaged in active service in the present*
21 *war, discharged or relieved from active service under honor-*
22 *able conditions, on or after December 7, 1941, shall be*
23 *eligible to receive mustering-out payment: Provided, That*
24 *musterling-out payment shall not be made to any person who,*
25 *at the time of discharge or relief from active service, holds*

1 *a commission, either permanent, temporary, or in any reserve*
2 *capacity, of any rank above that of colonel in the Army, or*
3 *of any equivalent rank in any of the other branches of the*
4 *armed service of the United States: Provided further, That*
5 *such payment shall not be made to members of the armed*
6 *forces who, at the time of discharge or relief from active*
7 *service, are transferred or returned to the retired list with*
8 *retirement pay or to a status in which they receive retirement*
9 *pay: Provided further, That such payment shall not be made*
10 *to members of the armed forces who have had no service out-*
11 *side of the continental limits of the United States or in Alaska*
12 *and who are discharged or relieved from active service solely*
13 *on their own initiative for occupational reasons.*

14 *SEC. 2. Muster-out payment for persons eligible under*
15 *section 1 shall be in sums as follows:*

16 *(a) \$500 for persons who have served outside the con-*
17 *tinental limits of the United States or in Alaska for eighteen*
18 *months or more after December 6, 1941.*

19 *(b) \$400 for persons who have served outside the con-*
20 *tinental limits of the United States or in Alaska for twelve*
21 *to eighteen months after December 6, 1941.*

22 *(c) \$300 for persons who have served outside the conti-*
23 *nental limits of the United States or in Alaska for less than*
24 *twelve months after December 6, 1941.*

25 *(d) \$300 for persons who have served within the conti-*

1 nental limits of the United States (excluding Alaska) for
2 twelve months or more after December 6, 1941.

3 (e) \$200 for persons who have served within the conti-
4 nental limits of the United States (excluding Alaska) for less
5 than twelve months after December 6, 1941.

6 Each individual eligible to receive mustering-out pay-
7 ment shall receive one-third of the stipulated amount at the
8 time of discharge or relief from active duty. The remaining
9 amount of mustering-out payment shall be made in two equal
10 installments—one month and two months, respectively, from
11 the date of the original payment.

12 SEC. 3. Any member of the armed forces entitled to
13 mustering-out payment but who shall have been discharged
14 or relieved from active service under honorable conditions
15 before the effective date of this Act shall receive the benefits
16 thereof, beginning within one month after application has
17 been made by such person and received by the appropriate
18 department: Provided, That no person entitled to benefit under
19 this Act shall receive mustering-out payment more than once,
20 and such payment shall accrue and the amount thereof shall
21 be computed as of the time of discharge for the purpose of
22 effecting a permanent separation from the service or of ulti-
23 mate relief from active service.

24 SEC. 4. If any member of the armed forces, after his
25 discharge or relief from active service, shall die before re-

1 ceiving any portion of or the full amount of his mustering-
2 out payment, the balance of the amount due him shall be
3 payable, on appropriate application therefor, to his surviving
4 spouse, if any; and if he shall leave no surviving spouse,
5 then in equal shares to his child or children, if any; and if
6 he shall leave no surviving spouse or child or children, then
7 in equal shares to his surviving parents, if any: Provided.
8 That no payments under this Act shall be made to any other
9 person.

10 SEC. 5. No part of the mustering-out payment author-
11 ized by this Act shall be subject to deduction in settlement of
12 debts due the United States or instrumentalities thereof, nor
13 shall such payment be assignable or subject to the claims of
14 creditors of any person to whom or on behalf of whom it is
15 paid; and shall not be liable to attachment, levy, or seizure
16 by or under any legal or equitable process whatever.

17 SEC. 6. As used in this Act—

18 (a) The term “member of the armed forces of the United
19 States” means any member of the Army or Navy of the
20 United States, the United States Marine Corps, the United
21 States Coast Guard, or any of their respective components.

22 (b) The term “spouse” means a lawful wife or husband.

23 (c) The term “child” includes (1) a legitimate child;
24 (2) a child legally adopted; and (3) a stepchild, if, at the

1 time of death of the member of the armed forces, such step-
2 child was a member of the deceased's household.

3 (d) The term "parent" includes father and mother, step-
4 father and stepmother, and father and mother through
5 adoption.

6 SEC. 7. There are hereby authorized to be appropriated
7 such sums as may be necessary to carry out the provisions
8 of this Act. The Secretary of War and the Secretary of
9 the Navy shall administer this Act within their respective
10 services.

11 SEC. 8. This Act may be cited as "Mustering-out Pay-
12 ment Act of 1943".

Amend the title so as to read: "A bill to provide for mustering-out payments to members of the armed forces, and for other purposes."

S. 1543

[Report No. 603]

A BILL

To provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

By Mr. BARKLEY

NOVEMBER 26 (legislative day, November 18), 1943

Read twice and referred to the Committee on Military Affairs

DECEMBER 15, 1943

Reported with amendments

IN THE SENATE OF THE UNITED STATES

DECEMBER 15, 1943

Ordered to lie on the table and to be printed

AMENDMENT

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. McCARRAN to the bill (S. 1543) to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, viz: Strike out all after the enacting clause and insert the following:

- 1 That as used in this Act—
 - 2 (a) The term “veteran” means any person who was
 - 3 in the military service of the United States, as defined in
 - 4 section 101 (1) of the Soldiers’ and Sailors’ Relief Act
 - 5 of 1940, at any time during the period beginning on Decem-
 - 6 ber 7, 1941, and ending on the date of the cessation of hos-
 - 7 tilities in the present war as proclaimed by the President, and
 - 8 who shall have been honorably discharged from such service;
 - 9 or any person who served in the Women’s Army Auxiliary
 - 10 Corps and who shall have been honorably discharged for
 - 11 disability incident to such service.

1 (b) Masculine pronouns shall be deemed to include the
2 feminine.

3 SEC. 2. Every veteran, excepting commissioned officers
4 whose base pay exceeds \$200 per month, shall be credited
5 with mustering-out pay as provided in section 3. Such
6 credit shall be made as of the time of discharge or relief
7 from active duty of such veteran.

8 SEC. 3. Mustering-out pay shall be determined accord-
9 ing to length of service prior to discharge or relief from active
10 duty, as follows: For service less than three months, \$150;
11 for service more than three months but less than six months,
12 \$300; for service more than six months but less than nine
13 months, \$450; for service nine months or more, \$600.

14 SEC. 4. One-sixth of the amount of mustering-out pay
15 credited to any veteran, or \$50, whichever is greater, shall
16 be paid at the time of discharge or relief from active duty
17 of such veteran, or on the first day of the second calendar
18 month next following approval of this Act, whichever shall
19 last occur; similar payments shall be made at consecutive
20 monthly intervals thereafter, until the full amount of mus-
21 tering-out pay credited to such veteran shall have been paid.

22 SEC. 5. Payments as provided in section 4 shall be
23 made to the veteran, if living. In the case of a veteran who
24 shall die before receiving the full amount of mustering-out
25 pay credited to him, any payment due under section 4,

1 subsequent to his death, shall be made to his surviving
2 widow, if any; and if he shall leave no surviving widow,
3 then in equal shares to his minor children, if any; and if
4 he shall leave no surviving widow or minor children, then
5 in equal shares to his surviving parents, if any; and if he
6 shall leave no surviving widow, minor children, or parents,
7 then to his executor or administrator for the benefit of his
8 estate.

9 SEC. 6. There are hereby authorized to be appropriated
10 such sums as may be necessary to carry out the provisions
11 of this Act. The Secretary of War and the Secretary of
12 the Navy shall administer this Act within their respective
13 services.

14 SEC. 7. This Act may be cited as the "Mustered-Out
15 Pay Act of 1943".

AMENDMENT

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by Mr. McCarran to the bill (S. 1543) to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

DECEMBER 15, 1943

Ordered to lie on the table and to be printed

may be expended for personal services in the District of Columbia is hereby increased to \$347,500."

And the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Construction of byproducts plant, Pribilof Islands, Alaska: For the enlargement of the byproduct plant, for the utilization of fur seal carcasses, on Saint Paul Island, including the purchase and installation of machinery and other equipment, fiscal year 1944, to remain available until expended, \$135,000."

And the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: After the number "127" in such amendment, insert "(claim of Charles A. Buchanan, Port Huron, Michigan, \$125.62)"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$200,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$50,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$17,788.30"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Reimbursement for damages on the Illinois River, Illinois: Not to exceed \$303,500 of any unobligated balances of existing appropriations heretofore made for the preservation and maintenance of existing river and harbor works, for the prosecution of such projects theretofore authorized as may be most desirable in the interests of commerce and navigation, and for other purposes specified under the head "Rivers and Harbors" in the War Department Civil Appropriation Act, 1944, are hereby made available for the payments on account of damages arising as a result of projects on the Illinois River, Illinois, in accordance with the provisions of the act approved October 23, 1943 (Public Law 168)."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 8, 11, 12, 13, 20, 22, 23, 26, 35, 37, 38, 39, 40, 48, 49, 55, 63, 67, 70, 94, 95, and 96.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
GERALD P. NYE,
RUFUS C. HOLMAN.

Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
D. LANE POWERS.

Managers on the part of the House.

THE PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

MR. MCKELLAR. I ask that the conference report be agreed to.

THE PRESIDING OFFICER. Without objection, the report is agreed to.

MR. MCKELLAR. Mr. President, I now ask the Chair to lay before the Senate the action of the House of Representatives on certain amendments of the Senate.

THE PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3598, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

December 16, 1943.

Resolved, That the House recede from its disagreement to the amendments of the Senate Nos. 11, 35, 40, 48, 55, 63, 67, 70, and 95 to the bill (H. R. 3598) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate No. 8 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out by said amendment insert:

BUREAU OF THE BUDGET

"For an additional amount for salaries and expenses, Bureau of the Budget, fiscal year 1944, including the objects specified under this head in the Independent Offices Appropriation Act, 1944, and including \$20,000 additional for the temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, \$100,000."

That the House recede from its disagreement to the amendment of the Senate No. 12 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out by such amendment insert:

"Salaries and expenses: For an additional amount for salaries and expenses, fiscal year 1944, including the objects specified under this head in the Independent Offices Appropriation Act, 1944, \$688,000: Provided, That the use of social security numbers in connection with the centralization of Federal employment reporting and civil service retirement records shall not be deemed in any manner as an indication of approval by Congress of any participation in whole or in part by the Social Security Board in the administration of the Federal retirement system or to the consolidation of the Federal retirement system with the social security system for non-Federal employees."

That the House recede from its disagreement to the amendment of the Senate No. 38 to said bill and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

LOANS, GRANTS, AND RURAL REHABILITATION

For an amount in addition to the \$20,000,000 appropriated under this head in the Department of Agriculture Appropriation Act, 1944, and for the same objects and subject to the same conditions, \$6,500,000.

That the House insist upon its amendments to the amendments of the Senate Nos. 8, 12, and 38; and insist upon its disagreement to the amendments of the Senate Nos. 13, 20, 22, 23, 26, 37, 39, 49, 94, and 96 to

said bill and ask a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. POWERS be the managers of the conference on the part of the House.

MR. MCKELLAR. I move that the Senate disagree to the amendments of the House to the amendments of the Senate numbered 8, 12, and 38.

The motion was agreed to.

MR. MCKELLAR. I now move that the Senate further insist on its amendments numbered 8, 12, 13, 20, 22, 23, 26, 37, 38, 39, 49, 94, and 96; agree to the further conference asked by the House thereon and that the Chair appoint the conferees on the part of the Senate.

THE PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to; and the Presiding Officer appointed Mr. MCKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYPINGS, Mr. RUSSELL, Mr. NYE, Mr. LODGE, and Mr. HOLMAN conferees on the part of the Senate, at the further conference.

MUSTERING-OUT PAY FOR MEMBERS OF THE ARMED FORCES

MR. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 610, being Senate bill 1543, to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

THE PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

THE CHIEF CLERK. A bill (S. 1543) to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

THE PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments.

MR. BARKLEY. Mr. President, the Senator from Colorado [Mr. JOHNSON] was chairman of the subcommittee of the Committee on Military Affairs which considered this bill, but, inasmuch as I introduced the original bill, if it is agreeable to the Senator, I shall make a very brief explanation.

The Senate will recall that on the 23d of November the President sent a message to the Congress recommending certain benefits for members of the armed services of the United States, including mustering-out pay at the time of discharge and providing for its payment, including also certain benefits under the Social Security Act, and other benefits. That portion of the President's message which dealt with mustering-out pay was referred to the Committee on Military Affairs. A day or two later I introduced Senate bill 1543 carrying out the recommendations of the President in regard to the payment of mustering-out pay for all those in the armed services, which

includes, of course, all branches of the Army and Navy and the WAVES, WAC's, and all others who are now an integral part of our armed forces.

The bill which I introduced provided for a straight payment of \$300 regardless of the length of time anyone had been in the service. It provided for a part of it to be paid immediately upon discharge and the balance within 2 months of mustering out. The bill which I introduced also provided no payment for those above the rank of captain. The subcommittee of the Military Affairs Committee reported the bill back to the full committee with the recommendation that it pass. The full committee revised the schedule of payment and raised the rank to include those as high as colonel instead of captain, which was the rank carried in my bill. They provided a sliding scale of payments, providing \$500 mustering-out pay for those who served overseas for 18 months or longer; \$400 for those serving overseas between 12 and 18 months; and \$300 for those who served overseas for less than 12 months, one-third of it to be paid at the time of discharge, the balance to be paid in two equal monthly installments thereafter. The bill as reported also provides that \$300 shall be paid to those who serve for a year or more in continental United States—excluding Alaska, as service there is regarded as overseas duty—one-third of it to be paid at the time of discharge and the balance in two equal monthly installments; and, further, that \$200 mustering-out pay shall be paid to those who serve in the United States less than 12 months—

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I shall yield in a moment—and providing in the same way that one-third of it shall be paid at the time of discharge and the other in two equal monthly payments.

I wish to say in this connection that the Senator from Nevada has suggested to me the propriety of providing that those who are to receive the \$200 discharge pay shall be paid one-half of it at the time of discharge and the other half within a month. I think that is a very good suggestion, and, after consulting with the Senator from Colorado, I will propose such an amendment. It will prevent the necessity of paying those who receive \$200, \$66 2/3 at the time of discharge and \$66 2/3 each month thereafter until the balance is paid. I think that is a very valuable and wise suggestion.

Mr. AUSTIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Vermont?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I want to have the RECORD show that the Senator from New Hampshire [Mr. BRIDGES] and myself appreciate the promptness and the vigor with which the distinguished Senator from Kentucky presented his bill and the manner in which he has followed it up.

The Senator from New Hampshire is necessarily absent today. I have not interposed objection of any kind to the progress of the bill because I know that the Senator from New Hampshire re-

alizes the necessity of speed in the dispatch of this business. I feel justified in saying that I think the Senator from New Hampshire would agree with me that the Senator from Nevada is correct in his proposal of having the \$200 payment divided into two and not into three payments, and, so far as I have any authority to speak, I am glad to join the distinguished leader in accepting an amendment of that character.

Mr. BARKLEY. Mr. President, I thank the Senator from Vermont, and I want to say to him that I appreciate the contribution made to this subject by him and the Senator from New Hampshire [Mr. BRIDGES] who introduced jointly a bill practically the same as the one which I introduced, except for a difference in the schedule of payments. The full committee revised the whole subject and has recommended the payments I have indicated.

I wish to say—and after this I shall yield to the Senator from Arizona—that it is important that this proposed legislation be enacted now. It provides mustering-out payments not only to those who are to be mustered out hereafter, but for payment to all those who have been mustered out since the date fixed in the act, December 7, 1941. Many of those have already gone out of the service. Some of them have been discharged because of physical disability. They may later be entitled to compensation, and no doubt many of them will be, but until they have filed and proved their claims they receive nothing at the hands of the Government. Many of them have been required, of course, to seek jobs and all of them are undertaking to find them. This mustering-out pay is intended to pay for the interim between their discharge and the time when they can reintegrate themselves into industry, into employment. According to the testimony of General Marshall and other officers of the War Department and the Navy Department, of the total number of men now in the Army it is estimated that some 75,000 are being discharged a month because of physical disability or for one reason or another, and many of them are being discharged because of injuries. It may be months, certainly weeks, before those who are injured or whose physical condition has been damaged by their service in the Army can make out their claims and prove them before the Veterans' Administration.

In the meantime they are receiving nothing from the Government, and it is extremely important that we enact the proposed legislation at once. I am anxious to see it enacted before Christmas, so that the payments may be presented to the men and women entitled to them as a Christmas gift, if possible, although I admit that is more or less sentimental.

I yield to the Senator from Arizona.

Mr. McFARLAND. I should like to have the distinguished Senator from Kentucky tell me whether he has considered this bill as in any way providing for adjusted pay.

Mr. BARKLEY. No; it does not. As the President has recommended, and as the committee has recommended, it pro-

vides merely a sort of stopgap pay between the discharge of the soldier and his reintegration into industry, or into his profession, or whatever it is he is going to do when he returns home. It has nothing whatever to do with the final adjustment of compensation or benefits to which our soldiers and sailors will be entitled.

Mr. McFARLAND. A little while before the Senator from Kentucky introduced his bill the junior Senator from South Carolina [Mr. MAYBANK] and I introduced a bill providing for adjusted pay. The Finance Committee has been very busy with other matters and has not had time to consider our bill. It had in it section 9 (a), a provision very similar to the original mustering-out bill introduced by the Senator from Kentucky.

I would say that if the pending bill provides solely for mustering-out pay, then it is all right, but if it is to be in any way treated as providing adjusted pay, it would not be.

Mr. BARKLEY. The payments were not regarded as adjusted compensation in the President's message; they were not regarded so by me in introducing the bill; they were not so regarded by the Committee on Military Affairs in reporting the bill, and the bill to which the Senator refers, now before the Committee on Finance, which deals with the adjusted compensation as we have dealt with it heretofore in regard to veterans of World War No. 1, will still be a matter for legislation on the part of Congress. The pay provided in the pending bill has no relationship to that; it is wholly independent, and is intended merely to bridge the beneficiaries over for the brief period after they get out of the Army or Navy until they are able to secure employment. Their final rights will be adjusted and legislated upon wholly independent of the pending measure.

Mr. McFARLAND. The Senator from Arizona has no objection to the matter being considered separately, providing it is distinctly understood that the payments are not to be considered as adjusted pay. I did not want the bill to be passed without that understanding, because someone might rise on the floor of the Senate and say, "We have already adjusted the pay of the veterans."

Mr. BARKLEY. No; no advantage will be taken of our soldiers and sailors in any branch of the service in the final adjustment of their compensation because of the fact that they get this interim pay, merely as mustering-out pay, and that alone. I am a member of the Committee on Finance, which will consider the whole subject, but it is impossible for us to wait until the matter before that committee has been disposed of in order to pay the men who are now coming out of the service, and those who will be coming out until the war is over, and immediately after it is over. This pay will enable them to "get by," I might say, between the time when they are discharged and the time when they obtain employment.

Mr. McFARLAND. I am in accord with the bill, or I would not have included a similar provision in the bill the Senator from South Carolina and I have in-

roduced. I am glad, even though we have been unable to have our bill considered, to see this phase of the matter considered and passed at this time, because I appreciate that it means a great deal to the boys at the front to know what they can count on when they return to their homes.

Mr. BARKLEY. It is important to those who are still fighting, and will continue to fight, to know that when they return home they will receive the pay we are now proposing, in addition to what we have already provided for them in the way of compensation. It certainly is very sorely needed by the boys who have already been discharged.

Mr. MFARLAND. I thank the Senator from Kentucky for stating that he is willing to give our bill early consideration. I feel it should be considered at an early date, for the same reason the pending bill needs to be considered today. I think it is important that this matter be considered as a whole, and as soon as possible.

Mr. BARKLEY. I agree with the Senator about that.

Mr. McCARRAN. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. I had thought of introducing, or furthering, a substitute for the pending measure, but after studying the bill, I am convinced that the committee has worked out the problem much better than my proposed substitute would, and especially now, when the able Senator from Kentucky is content to take the suggestion I gave him, to divide the \$200 payment into two payments. I think that improves the situation considerably, as affecting those who will receive the smaller payments.

I wish to say that there are now in this country, of those who are being mustered out and who have been mustered out, who find themselves without work, or are unable to accommodate themselves to the new conditions they confront, many boys to whom this will be a great boon. In my judgment these payments will, when they come to them, be a great blessing, and save many of them from the discontent and unhappiness which otherwise would naturally follow.

Mr. BARKLEY. That is undoubtedly true, and I thank the Senator from Nevada for that constructive contribution.

Mr. THOMAS of Oklahoma. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. THOMAS of Oklahoma. Will the Senator make a statement a little more in detail along the line of that made by the Senator from Nevada? What will be received by the boys who are mustered out, under the terms of the bill? Somewhat in excess of half a million of them have already been discharged.

Mr. BARKLEY. Under the bill those who have served overseas for 18 months or more will receive \$500, one-third of which will be paid when they are mustered out, and the balance in two monthly payments.

Those who have served between 12 months and 18 months overseas will receive \$400, to be paid in the same way.

Those who have served less than 12 months overseas will receive \$300, to be paid in the same way.

Those who have served in the United States 12 months or more will receive \$300 at the time of their mustering out, to be paid in the same way.

Those who have served in this country less than 12 months will draw \$200.

Mr. McCARRAN. How about the man who has already been mustered out?

Mr. BARKLEY. He will draw the pay just the same. The bill provides that it shall apply to all those who have been discharged since the 7th of December 1941.

Mr. THOMAS of Oklahoma. In order to make that clear at this time, it will be necessary for the bill to pass as an authorizing measure, then it will be necessary for Congress to pass an appropriation bill, so that the money may be available.

Mr. BARKLEY. The Senator is correct. We have included in the bill an authorization for an appropriation, and the money cannot be paid until the authorization is made, and then the Committees on Appropriations of the two Houses provide the money.

Mr. AUSTIN. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. On the question raised by the Senator from Arizona [Mr. MFARLAND], let me call attention to the new language. The bill provides mustering-out payments, not mustering-out pay.

Mr. BARKLEY. Yes.

Mr. AUSTIN. It is erroneous to assume that money authorized is for pay in any sense. It provides payments for mustering out, and the payments represent a benevolence on the part of the people for the soldiers, to take care of a special circumstance and need, and have no reference whatever to pay. That is an important change in the text of the bill.

Mr. BARKLEY. Yes; and that was made in order that there might not be any confusion as to the object of the bill and its relationship to any future legislation dealing with compensation.

Mr. AUSTIN. The Senator is correct.

Mr. MFARLAND. I thank the Senator from Kentucky for the explanation. I wanted that matter made plain.

Mr. MAYBANK. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MAYBANK. I rose to ask the very question propounded by the Senator from Vermont. Let me take this opportunity to commend the distinguished Senator from Kentucky and the distinguished Senator from Vermont for bringing this bill to the floor at this time.

Mr. BARKLEY. I appreciate the Senator's remarks, as I am sure the Senator from Vermont does. I do not want the Senate to fail to recognize the obligation which we and the country at large and the armed services owe to the distinguished Senator from Colorado [Mr. JOHNSON], who was chairman of the subcommittee which handled the bill. He has worked indefatigably to have the bill reported. I make the same state-

ment regarding all the members of the Committee on Military Affairs, including the subcommittee which was originally appointed.

Mr. MAYBANK. I thoroughly agree with the Senator from Kentucky. I did not have any intention of leaving anyone out.

Mr. BARKLEY. No. I think the Senator from South Carolina is a member of that committee.

Mr. MAYBANK. Not only the members of the committee but the entire membership of the Senate should be thanked for having given thought to this matter at this time.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. Was the action of the committee unanimous?

Mr. BARKLEY. I think the Senator from Colorado [Mr. JOHNSON] can answer that question. I am not a member of the committee. I think the committee was unanimous in reporting the bill.

Mr. JOHNSON of Colorado. The committee was unanimous in reporting the bill. However, there are some differences of opinion as to some points in the bill, I may say, but the vote was unanimous.

Mr. LANGER. May I inquire what has been done toward helping the young men who are mustered out who are insane? Has anything been done to take care of them?

Mr. BARKLEY. They will all receive the same pay as if they had been mustered out under normal circumstances. What will be done later by way of veterans' compensation to them obviously could not be taken care of in this measure, because we could not separate one class of servicemen from others. We had to arrange the matter according to the time of service to include all men and women, regardless of the cause for their being mustered out, whether the war was on or whether the war was over. But the cases to which the Senator from North Dakota referred will come later in legislation giving them compensation because of their physical or mental condition.

Mr. LANGER. Is any bill pending now which would provide for the rehabilitation of such persons?

Mr. BARKLEY. Proposed legislation is now pending providing for their rehabilitation. A very comprehensive program is being worked out which I hope to see enacted in the very near future, as soon as possible in the coming session.

Mr. LANGER. I join with the Senator from Kentucky in that hope.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MAYBANK. As I understand the distinguished leader, this measure is in addition to legislation which has already been passed or proposed for rehabilitation, education, and so forth, and so on?

Mr. BARKLEY. Absolutely.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BURTON. So that we may see clearly the amount of the obligation

which has really accrued against the United States, and with which we are trying to catch up at this time, I read a statement from the Secretary of War, Henry L. Stimson, on page 10 of the report, and I should like to ask the Senator from Kentucky if that represents his estimate of the obligation we now have to the men already discharged:

With respect, however, to the persons who have already been discharged or relieved from active duty up to the present time, it is estimated that the cost would be roughly a quarter of a billion dollars.

That would be the amount, I take it, involved as of this time with respect to the men already discharged?

Mr. BARKLEY. I will ask the Senator from Colorado, who is chairman of the subcommittee, to reply to that question.

Mr. JOHNSON of Colorado. Mr. President, it would be considerably more than the estimate made by the Secretary. I think he was referring only to the men in his particular department, and not to all the enlisted men in the Army, Navy, Coast Guard, and other services. Under the provisions of the pending bill the amount that we probably already owe, the amount which has accrued, would be about \$350,000,000, instead of \$250,000,000. I think the Secretary is \$100,000,000 low in his estimate.

Mr. BARKLEY. I will say to the Senator that the Secretary's letter was based on the original bill which I introduced, which was referred to him, providing for a straight \$300 payment without regard to length of service. His estimate was based upon that proposal. Under the new schedule which the committee has worked out, running from \$200 to \$500, it would probably be necessary to revise the Secretary's figures based on the number of servicemen who have already been discharged, but I think the estimate of the Senator from Colorado of \$350,000,000 would be reasonably accurate. I may say that under the original bill calling for a \$300 mustering-out payment to all those in the service, based upon a total of approximately 10,000,000 in the service, the total obligation would amount to about \$3,000,000,000.

Mr. BURTON. It may well be, then, at the present time that this measure will call for an appropriation or payment of between \$350,000,000 and \$500,000,000 to meet the obligation at the time appropriation bills will be coming up?

Mr. JOHNSON of Colorado. Yes; it will require an appropriation of about \$350,000,000, and in addition to that a current annual appropriation of \$250,000,000, because there are about 75,000 individuals going out of the service every month, and the amount payable to them would be upward of \$250,000,000 in addition. So we would have a current expense or requirement for appropriations of \$250,000,000 plus, and appropriations requiring about \$350,000,000 for back pay.

Mr. BURTON. Does the Senator care to hazard a guess as to what the ultimate cost will be?

Mr. JOHNSON of Colorado. Of course it is a little difficult to figure, because we do not know how long the war is going to last. The committee upped the figure considerably. Under the pending bill the total cost could not possibly be less than \$4,000,000,000.

Mr. BURTON. The seriousness of the immediate situation is illustrated by the fact that we recognize an obligation which should be met, of approximately \$350,000,000 to men who are in need, who have rendered service to their country.

Mr. JOHNSON of Colorado. Yes. It is back pay.

Mr. BURTON. The urgency for immediate passage of the measure is due to the recognition of a debt to the men in that amount, at the time they need it, and when they have rendered the service.

Mr. BARKLEY. The situation has created an immediate urgency for the passage of the measure. These men have all been discharged. They are on their own. Many of them have no jobs. They have become a burden on their families. This is a debt which I feel, and the Senate feels, and the country feels, we owe to those men. Individuals will be paid mustering-out payments as they come from the service in the future.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. There is no question that this amount will be in excess of any payment due now to a disabled veteran who has been discharged, or to one who will be discharged, if there is any such payment due.

Mr. BARKLEY. The Senator says "excess." It will be independent of that.

Mr. FERGUSON. Over and above.

Mr. BARKLEY. Over and above, that is true. Of course he receives compensation because of injury, or because of any impairment of his health or physical condition due to the service. That is a matter of right to which he is entitled. This is a payment in recognition of his need immediately when he gets out of the service.

Mr. FERGUSON. It has nothing to do with his injuries?

Mr. BARKLEY. No; absolutely nothing.

Mr. FERGUSON. Or his physical incapacity or health?

Mr. BARKLEY. No. The payment will be received by all men and women in the service whether injured or not. And their rights to compensation, if they are injured, or if their health is in any way impaired, will be entirely different from this and independent of it.

Mr. FERGUSON. We call this mustering-out pay, but we differentiate between those who have served in foreign lands and those who have been in camp or served in this country.

Mr. BARKLEY. Yes.

Mr. FERGUSON. So in effect this is what might be called compensation for their service.

Mr. BARKLEY. No; it is not compensation. We do not regard it as compensation, although of course it is in their pockets. They are able to spend it. They can look upon it in any way they

see fit to look upon it, but it is not regarded as compensation in the ordinary sense in which we have used that term in all our legislation heretofore.

Mr. FERGUSON. I do not like to have the men who have served feel that Congress is now thinking it is making a gift, as a Senator remarked, a Christmas present.

Mr. BARKLEY. That is a figure of speech.

Mr. FERGUSON. I think the men have earned this payment and much more.

Mr. BARKLEY. Yes; I agree with the Senator. That is the reason why no one thought of discriminating between those who have already served and been discharged, and those who are now serving and will be discharged in the future. It would be a very rank discrimination to say to those who are now being ordered to serve, when they come back, "We will not pay you anything because you have been mustered out," when they may be wandering around looking for a job.

Mr. FERGUSON. I agree that we should pay all alike.

Mr. BARKLEY. Yes.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. The basis of the difference in the amount is the difference in the need. This is a benevolence based on need. It is not pay, and the committee was very careful to make it clear by changing the language, even the language of the title of the bill, from "mustering-out pay" to "mustering-out payment." The evidence shows beyond any dispute at all that the men who have been discharged or relieved from service, who have served 18 months overseas in the theater of operations, are for many different reasons in need of greater assistance than men who have parted from their occupations for, say, only 45 days, who have never left the country, and never have suffered those things which result in need of a mustering-out payment of money.

So it seems to me that in consideration of the bill all should recognize that it does not enter the field of payment for services or the field of compensation for what the members of the armed forces have done, but that it is strictly and purely a matter of honorably caring for the need of these men at the time when they are mustered out.

Mr. BARKLEY. I may say in that connection that the committee has proceeded on the theory that the longer a man is in the service, whether at home or abroad, the more completely disconnected he becomes from his former job.

Mr. AUSTIN. And the more dislocated are his affairs at home.

Mr. BARKLEY. Yes; the more dislocated they become. In other words, if a man has been out of touch for 12 months or 18 months with the job he had before he entered the Navy, he is more completely dissociated from that job than he would have been if he had been in the Navy, and away from home, only 6 months.

Mr. AUSTIN. And it must not be forgotten that during a long time more

changes can occur than during a short time.

Mr. BARKLEY. Of course.

Mr. AUSTIN. And that the changes in conditions which existed when the man left home might, by virtue of the passage of 18 months, be quite different from the changes which would occur after the passage of only 6 months.

Mr. BARKLEY. Yes. While some of those who return may find jobs in the same institutions in which they worked before they left, it may well be true that after the war many veterans will find that the institutions with which they were associated before the war have completely gone out of existence during the 18 months or 2 years, or whatever the period may be, during which they were away.

Mr. AUSTIN. That is quite possible.

Mr. BARKLEY. So they will not be able to go back to the jobs they had before they entered the service, but will have to cruise around the field in order to determine where they may find employment elsewhere. In such cases I think the proposed difference in pay is justified.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. I was glad to hear the Senator from Vermont and the Senator from Kentucky state that the proposed mustering-out pay would not be payment for services rendered, but would be a mustering-out payment. As a member of the committee, I wish to say that the mustering-out payment would in no way supersede or take the place of payments under laws already passed, such as the one providing for the payment of \$500 a year, as I remember it, to aviators.

Mr. BARKLEY. Of course not.

Mr. GURNEY. Nor would the mustering-out pay take the place of the payment, provided for in a law already enacted, of additional compensation for men in the submarine service of the Navy.

Mr. BARKLEY. That is correct.

Mr. GURNEY. I should like to ask the Senator from Kentucky if that is his belief and judgment regarding the bill?

Mr. BARKLEY. Oh, yes. The provision for payment under the bill would in no way supersede any of the provisions we have formerly enacted for extra compensation or pay, or whatever it may be called, under previous laws of Congress. The proposed payment would be wholly independent of any payment made under any previously enacted law dealing with the question of compensation, either for injury or for service.

Mr. GURNEY. That is in accordance with my understanding of what the committee intended.

I should like to suggest to the Senator from Kentucky that on page 4, in line 11 of the bill, I do not believe the wording is in accordance with his desire or in accordance with the understanding of the committee. It was our intention not to make the mustering-out payments available to those serving inside the continental United States, providing they might ask on their own initiative for a

discharge from the service; but certainly it was not the committee's intention to have the payment withheld from a man who had seen service in Alaska or in the Aleutian Islands—Kiska, Attu, or some of the other of those dreadful places. I am informed by the legislative counsel that, through inadvertence, the words "or in Alaska" got in the bill, that they got there by error. I would suggest to the Senator from Kentucky that the three words at the end of line 11, page 4, be deleted from the bill before it is passed.

Mr. BARKLEY. I would defer to the Senator from Colorado on that point first.

Mr. JOHNSON of Colorado. Mr. President, those words were put in by mistake and should come out.

Mr. BARKLEY. Yes, Mr. President; it seems to me that they should come out, and it is entirely agreeable that those words be eliminated.

Mr. GURNEY. If this is the time and place to make the motion, I now move that the words "or in Alaska" be deleted from the bill.

Mr. JOHNSON of Colorado. Mr. President, I accept that suggestion.

Mr. GURNEY. I thank the Senator.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MAYBANK. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. MAYBANK. I should like to ask the Senator from Kentucky a question. Inasmuch as he mentioned the matter of returning veterans securing jobs, let me inquire whether the civil-service laws of the country today give veterans a preference.

Mr. BARKLEY. Yes, undoubtedly; veterans are given preference in grade over anyone else.

Mr. MAYBANK. Of course, the veterans of the last war received certain preference.

Mr. BARKLEY. Yes.

Mr. MAYBANK. And, as I understand the matter, the veterans returning from the present war will receive certain preference.

Mr. BARKLEY. Yes; as I understand the law, it is a continuing one applying to veterans.

Mr. MAYBANK. My reason for asking the question is that I should like to see the veterans receive even greater preference. I now have before the Civil Service Committee a bill making such provision.

Mr. BARKLEY. We can deal with that matter in dealing with the civil-service laws. We cannot very well deal with it in connection with the consideration of the pending bill.

Mr. MAYBANK. That is quite true. I merely desire to say that I believe the returning veterans deserve every possible preference, in order to enable them to adjust themselves.

Mr. BARKLEY. I agree.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Alabama.

Mr. HILL. In reference to the very timely suggestion made by the Senator from South Carolina, I may say that not only will the veterans enjoy the preferences provided for under the Civil Service Act; but, as the Senator from South Carolina and the Senator from Kentucky undoubtedly now recall, into the Civil Service Act we wrote, insofar as we could do so, provision to assure that a returning veteran would get back the job he had before he entered the service, thus endeavoring to assure him employment in his former occupation.

I rose to ask the Senator from Kentucky a question. The Senator knows, of course, that under section 5 of the bill it is provided that the mustering-out payments shall not be subject to deduction in the settlement of debts or other obligations. Not only is it provided that they shall not be subject to deductions in the settlement of debts or other obligations which might be due to the United States or to some instrumentality thereof, but also that they shall not be subject to deduction in the settlement of the claims of creditors. The Senate Committee on Military Affairs, of course, could not propose as an amendment to the bill a provision that the payments should not be subject to deduction in the settlement of taxes. I would say that I understand the Senator from Kentucky plans to have such a provision embodied in the tax bill. Is that correct?

Mr. BARKLEY. Yesterday the Finance Committee voted in favor of an amendment, which I offered, exempting these payments from taxation. Of course, we all appreciate the fact that in a bill which is not a tax bill we cannot provide for a tax exemption; because at the other end of the Capitol there is the feeling that all tax bills should originate there. But yesterday the Senate Finance Committee unanimously agreed to that amendment; and when the tax bill comes before the Senate, it will carry an amendment exempting these payments from taxation.

Mr. HILL. Just as section 5 of the bill exempts the payments from other liability?

Mr. BARKLEY. Yes; just as section 5 exempts the payments from liability in connection with any other payments with which the Committee on Military Affairs has any authority to deal.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. It is necessary for me to leave the Chamber. Before I do so, and because I may not see the distinguished senior Senator from Kentucky tomorrow, when I understand the Senate will adjourn.

Mr. BARKLEY. No, Mr. President; it is not contemplated the Senate will adjourn tomorrow, but early next week.

Mr. LANGER. In case I do not see the Senator again, before the adjournment is taken, I desire to thank him for the many, many courtesies he has shown me this year, and to wish him a very merry Christmas and a happy New Year. I understand that a short time ago he was

not well; and he was absent from the Chamber for some time. I hope that when the Senate meets again he will return, as a result of a vacation, feeling in his usual good health.

Mr. BARKLEY. I thank the Senator from North Dakota, and I wish for him, also, a very happy Christmas holiday.

Mr. LANGER. I thank the Senator.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wisconsin.

Mr. WILEY. Mr. President, I thank the distinguished Senator from Kentucky for yielding to me for a few moments on the subject which we are discussing.

I have no objection—in fact, I am in favor of the central idea of the pending bill, to provide mustering-out payments. However, I wish to say that I am increasingly appalled by the indifference with which we approach legislation on matters having to do with our war veterans.

Today I had as my guests in the Senate dining room Captain Bong, a young man 23 years of age, and a young man by the name of Hendricks, who had been with the Commandos in Africa.

It is all very well to talk about providing mustering-out payments; but we are missing the boat. We do not realize that what these boys want is, first, the assurance of a job. How are we to assure them of a job? Are we to give them the wherewithal to go out and have the time of their lives, and then be worthless for a job? The President has suggested that we make mustering-out payments. It has been suggested that 500,000 of these boys have come out of the service. Many of them have not the physical scars that the young sergeant with whom I had lunch this noon has, but many of them have mental scars. They have gone into the hell of war.

I heard the distinguished Senator from Colorado [Mr. JOHNSON] say that consideration had been given to these matters. I trust that he is listening to me now. I have a bill pending which has the approval of the Veterans' Administration, the Veterans of Foreign Wars, and the American Legion. That is the kind of bill which should be brought before the Senate for consideration without further delay, because the very heart of it is that it would be administered by the Veterans' Administration.

We took those boys off the farms, from the villages, and off the streets. A third of them never had a job. They were only kids, 16, 17, 18, and 19 years of age. They have been in the service for 1 or 2 years, and have gone through the hell of war. We took them from peaceful occupations and put them into hell. Then all at once they are returned to this country, after their souls have been singed and their mentalities burned—and we talk about mustering-out pay.

It will be fine for those who have jobs, if they are in condition to return to their jobs. But, Mr. President, I have talked to youngsters on the streets of the Middle West, the streets of New York City, and the streets of Washington, who

are wandering around in a daze, as you and I would be doing if we had come out of a hell such as war. Then we say, "Give them two or three or four hundred dollars to have the time of their lives and burn themselves out again, in their own country."

I am speaking for the United States of America, and not alone for those 10,-000,000 boys. I am speaking for 135,000,-000 of us who want to do our full job to see that those boys, when they come back, are given the kind of a square deal which will make them men, qualified to take over the affairs of the country.

We talk about giving them mustering-out pay, despite the fact that again and again we have been told that the problem is becoming more serious day by day as the men are discharged by the thousands. We continue to wrangle on the floor of the Senate. We have before us today a bill providing mustering-out pay. Meanwhile, tens of thousands of our young men who have given up their civilian rights and privileges to serve their country under arms are wandering the streets. We think we are solving the problem by giving them a little more money so that they may wander the streets a little while longer.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. WILEY. I shall be through in a moment.

Mr. JOHNSON of Colorado. Is the Senator from Wisconsin still addressing his remarks to me? A moment ago he said that he wished to call my attention to his speech.

Mr. WILEY. I am addressing my remarks to the Senator; but I have the floor, and I exact my right—

Mr. BARKLEY. Mr. President, the Senator from Wisconsin does not happen to have the floor. I have the floor.

Mr. WILEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILEY. Have I the floor?

The PRESIDING OFFICER. The Senator from Kentucky has the floor.

Mr. WILEY. Did not the Senator from Kentucky yield the floor to me?

Mr. BARKLEY. I did not yield the floor. I yielded to the Senator for what I supposed was a question.

Mr. WILEY. The Senator from Kentucky did not so limit it. I make the point of order—

Mr. BARKLEY. If the Senator takes the technical view that I have yielded the floor by yielding to him because of the courtesy I extended toward him, I will retain the floor and not yield further. I am willing to have the Senator finish his speech.

Mr. WILEY. I thank the Senator.

Mr. BARKLEY. This is the first time that I have ever heard of a Senator losing the floor by yielding to another Senator.

Mr. WILEY. Mr. President, I shall not argue the point of order. The Chair has stated that the point of order was not well taken. I am willing to abide by the decision of the Chair. I asked the Senator to yield to me. He yielded to

me for a few remarks. I ask him if I may continue?

Mr. BARKLEY. The Senator asked me to yield to him. He did not say for what purpose.

Mr. WILEY. No; and the Senator did not limit the purpose.

Mr. BARKLEY. I hope the Senator will not continue to occupy the floor until we miss the boat which is now in the harbor.

Mr. WILEY. I did not expect the Senator to explode and blow up the boat.

Mr. BARKLEY. No. I leave that to the Senator from Wisconsin.

Mr. WILEY. I thought perhaps the kind words of the Senator from North Dakota [Mr. LANGER] to the Senator from Kentucky had helped him to get over the recent election results in Kentucky.

Mr. BARKLEY. Mr. President, I do not yield to the Senator further if he proposes to deal in all sorts of silly remarks such as that. I thought the Senator had something in good faith to contribute.

Mr. WILEY. I thought I was making a contribution in good faith.

Mr. BARKLEY. I am willing to yield to the Senator if he will resume the contribution and not talk about some previous election when he has his mind on the next one.

Mr. WILEY. Mr. President, have I the floor?

Mr. BARKLEY. No; I have the floor. I am yielding to the Senator.

Mr. WILEY. The Senator is most gracious. I wish to pay my respects to the distinguished majority leader in this Christmas season. He is very kind and generous.

Now, Mr. President, I wish to continue for just a moment.

Thousands of our boys are walking the streets of our cities, and it is proposed that we give them two or three or four hundred dollars mustering-out pay. I am in favor of that, but I again say to the Senate that we are missing the boat. The boat is not in the harbor, as the distinguished majority leader has said. The boat will soon be bringing back to this country millions of our boys, injured and wounded, and needing the right kind of direction and guidance from America, which will be found in the Veterans' Administration.

The Veterans' Administration, within the Federal Government, can best do the job of rehabilitating our returning servicemen. Prior to this time it has done a fine job, but it does not now have the authority to obtain a questionnaire from each soldier as he returns to these shores, to find out, first, whether or not he has a job; second, whether or not he wishes to return to his job; third, what his desire is in the matter; and fourth, whether he is capable of being left alone to wander the streets of America with two or three or four hundred dollars in his pocket. That is the decision which must be made. After the last war we turned loose a group of which cost this country billions of dollars.

Mr. MCFARLAND. Mr. President, will the Senator yield?

Mr. WILEY. I have not the floor.

Mr. BARKLEY. I hope that the Senator will allow the Senator from Wisconsin to conclude.

Mr. MFARLAND. I merely wished to ask the Senator a question.

Mr. JOHNSON of Colorado. I should also like to ask the Senator a question.

Mr. WILEY. I shall be very happy to yield in a moment.

Mr. BARKLEY. The Senator does not have the power to yield. I still retain that power, and will exercise it in the spirit of Christmas, under the leadership of the amiable Senator from Wisconsin.

Mr. WILEY. The Senator is most kind.

After this war, unless we immediately take steps to give the Veterans' Administration authority to deal with the situation, there will be a real tragedy, perhaps double, treble, or quadruple what we had after the last World War. Consider our last post-war period. It was 12 years before anything was done in certain directions. That is a long trail, and I may add that it is one upon which this Congress has already started. The Veterans' Administration has available the records of each man's service. It has available the man's health record during his service, and at the time of his induction. If he is suffering any disability, his condition from week to week is known, as medical check-ups are made. No organization can more efficiently administer the affairs of veterans, whether it be in hospitalization, reemployment, or any other phase of reestablishing our boys and girls in civilian life. That is the crux of the whole problem—to see that the boys and girls who come out of the service are reestablished in civilian life.

This organization, the Veterans' Administration, given adequate power, with a Nation-wide set-up, will save us much grief in the days prior to and subsequent to the armistice. It will ferret out the problems, and find a solution to them. Upon its recommendation we can act to give it greater powers, if necessary.

Mr. President, three times I have spoken on this subject, and I shall continue to speak on it on the floor of the Senate until I can obtain action specifically on the matter of rehabilitation of the soldier and the sailor. I have pointed out that veterans' relief is not a problem for you and me, but that it is a problem for the whole Nation. We have an organization—the Veterans' Administration—already established by law to take up the problems as they should be taken up; namely, individually. Why do we not give that agency authority to proceed? Why do we not allow it, an experienced, legally authorized body, to take the problem in hand and tell us what additional legislation is needed to empower it to the fullest extent to deal adequately with the problem?

Let us make up our minds immediately what mustering-out pay is to be given our servicemen, and go ahead and give it to them. We who are returning to our homes for Christmas have money in our pockets and presents for our families and friends. I wonder how many thousands of veterans are worrying about where

they will eat and find shelter on Christmas Day. They are worried about it; but are we? Will this bill be passed in time to meet the emergency? I hope so, but, Mr. President, after it is passed we should see to it that the ex-servicemen are given the opportunity which they will all require, and to which they are entitled; namely, that of securing a job.

I thank the Senator from Kentucky.

Mr. BARKLEY. Mr. President, by implication the Senator criticizes the Congress and the committees which have been considering veterans' legislation because this is the only bill thus far reported. The Senator knows that in several messages to Congress the President has urged legislation for physical and mental rehabilitation, for vocational training, and for the broadening of the social security laws to benefit the ex-servicemen and women. Bills are pending before the Committee on Education and Labor dealing with the question of vocational rehabilitation, before the Committee on Military Affairs dealing with other phases of the subject, and before the Committee on Finance dealing with the broadening of the social security law, which came from that committee.

The Senator seems to be complaining because the Military Affairs Committee has reported this bill, and because this is a particular boat in the harbor which I spoke of a few minutes ago. There may be other boats which will come into the harbor, and if so we shall try to catch them when they dock. But this is the only one now before us. We hope that we will not allow it to pass out of the harbor before we board it.

Mr. BALL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Minnesota.

Mr. BALL. I think the Senator mispoke himself. Last year Congress passed a bill providing for rehabilitation of disabled veterans, and the bill now pending in the Committee on Education and Labor would give discharged veterans a chance to continue their high school and college education.

Mr. BARKLEY. Yes; I appreciate the Senator's correction. Last year we did pass a vocational rehabilitation bill for ex-servicemen. We caught that boat and sailed off on it a year ago. Now we are about to catch another, and I hope without unnecessary delay. I hope that from time to time other craft will come into port so that we can board them as the needs of the veterans arise.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. I should like to inquire about the men who are more than 38 years of age. Are they to be included, or do they come under the language in lines 12 and 13 on page 4 reading, "or relieved from active service solely on their own initiative for occupational reasons."

Mr. BARKLEY. All men more than 38 years old who were discharged because of their age—and there were thousands of them—will be entitled to this pay.

Mr. FERGUSON. Does the Senator know how many of them there are?

Mr. BARKLEY. I cannot give the Senator the figures. I cannot give the Senator the number of those who were discharged by reason of the policy of the War Department of discharging men between 38 and 45 years of age.

Mr. GURNEY. Will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. I call the attention of the junior Senator from Michigan [Mr. FERGUSON] to the words in line 13 on page 4 reading, "who are discharged * * * on their own initiative."

Mr. FERGUSON. Does that include men over 38 years of age?

Mr. GURNEY. That specifically provides that men who are discharged on the initiative of the Army or Navy will be permitted to receive the payments.

Mr. BARKLEY. The Senator is correct about that.

Mr. President, I wish to offer an amendment on page 5, at the end of line 11, to add the following proviso:

Provided, That persons receiving pay under subsection (e) of this section shall receive one-half thereof on the date of discharge, and shall receive the balance at the end of 1 month therefrom.

That would mean that those receiving \$200 would receive half of it when they were mustered out, and the other half within a month.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I was going to suggest that there are two classes involved in the \$200 payment.

Mr. BARKLEY. No; I do not think so.

Mr. AUSTIN. There are those who have heretofore been discharged or relieved from duty, and those who hereafter may be discharged or relieved from duty. There is a distinction in those two classes with respect to the time of payment. In the one case \$100, or one-half of the \$200, would be paid forthwith on discharge. That would be the case in respect to future discharges. In the other case, those who have heretofore been discharged, the payment would be due 1 month after the requisition for it had been made to the proper department by the person entitled thereto.

Mr. BARKLEY. That provision is to be found on another page in the bill.

Mr. AUSTIN. Yes; but this language must recognize the two classes with respect to the time when payment is due.

Mr. BARKLEY. I might change the amendment to read in this way:

All persons receiving \$200 as mustering-out pay under this act shall receive one-half thereof at the time of discharge, and the other half within 1 month thereafter.

Would that cover it?

Mr. AUSTIN. That would not cover it. The language must be adapted to the difference between the soldier who was mustered out heretofore and the soldier who will be mustered out hereafter.

Mr. BARKLEY. Under the language I have just suggested, any soldier who has been mustered out heretofore and is entitled to receive \$200, would receive half of it at the time of his discharge, and the other half within a month thereafter.

Mr. AUSTIN. Suppose a man were discharged a year ago after having served only a short period of time.

Mr. BARKLEY. I catch the Senator's point. It is provided in the bill that those who have been heretofore discharged must ask for the money.

Mr. AUSTIN. Yes.

Thirty days after the Government has received the request therefor, the man is entitled to the money. That must be the situation; otherwise the bill would be unworkable.

Mr. BARKLEY. It would still be necessary to amend the paragraph on page 5 applicable to subsection (e). We can adopt language to take care of that situation. I would ask that the amendment be adopted to subsection (e).

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Colorado?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I merely want to clarify one point. The Senator from Wisconsin [Mr. WILEY] rose a moment ago and in an angry tone commenced shouting about this bill. I thought he was in opposition to it. He pointed to the Senator from Colorado and said he hoped the Senator was listening to him. I was listening to him. I was listening to him trying to find out what he was talking about and what his position on the pending measure was. So I was listening very intently to him. As I understood from his remarks, he was concerned about a bill which he has offered, Senate bill 1566 by number, which has been referred to the Finance Committee and upon which there is no report at the present time. The measure he referred to is not before the Military Affairs Committee and not before the subcommittee of which I am a member and chairman. The number of the bill (S. 1566) would indicate in itself that his measure was introduced some time after the pending bill, Senate bill 1543, was introduced, and, since his bill is before the Finance Committee, I call his attention to the fact that the Finance Committee has been working for the last 30 days on the new tax bill; it has been working long hours and constantly on that measure, and will be for another week, and if there has been any delay in the consideration of his bill it undoubtedly is caused by the very heavy amount of work which has been imposed on the Finance Committee.

I want to assure the Senator from Wisconsin, however, that I am very much interested, perhaps almost as much interested in this measure as he himself is. I am anxious to work out the problems which face the returning veterans, and I assure the Senator that I am going to do everything I can in the Finance Committee and elsewhere to expedite the consideration of the measure which he has introduced, and which I wish to thank him for introducing.

Mr. MCFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I do not have the floor.

Mr. MCFARLAND. I should like to add what the Senator from Colorado

said that Senate bill 1495 is also pending before the Finance Committee, and that bill takes in all these matters, including education. It would also permit the purchase of a farm or a business. I suggest that the able Senator from Wisconsin read it, and I hope we will have his support for that bill.

Mr. WILEY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield for a question.

Mr. WILEY. For a comment?

Mr. BARKLEY. The Senator can ask me about his comment, and make it a question.

Mr. WILEY. I am afraid the Senator did not listen to the colloquy which has just taken place.

I merely wanted to state that I am very happy to hear that the distinguished Senator from Colorado has given consideration or will give consideration to the idea embodied in my bill, Senate bill 1566.

I am sorry if he got the impression that when I rose I was angry. I rather think it must be that some of us have been working so hard and diligently that—

Mr. JOHNSON of Colorado. When I hear a man shouting and pointing his finger and acting as though he were going to crack down on somebody I naturally think he is angry. I am sorry if I misunderstood the Senator.

Mr. WILEY. I am sure I could not be angry with the distinguished Senator from Colorado, but I want to repeat that recently some Senators have been working so late that apparently their nerves are a little off edge. I saw the Senator was engrossed in other matters, and I wanted to have his attention. I believe I did reach over and point my finger at him, but I did not mean in anywise to upset his mental equilibrium or give him the impression that I could be angry with him. I thank the distinguished Senator.

Mr. BARKLEY. Mr. President, I think I can clear the atmosphere by observing that the Senator from Wisconsin was pointing at the Senator from Colorado but was shouting at me. [Laughter.]

Mr. WILEY. Perhaps the Senator from Kentucky had it coming to him.

Mr. BARKLEY. Mr. President, through collaboration with the Senator from Vermont, and I think with the approval of the Senator from New Hampshire, I now offer an amendment which I think will meet the situation. At the end of line 11, page 5, add this language:

Provided, That benefits under subsection (e) of this section shall be payable in two instead of three equal installments.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 5, line 11, after the word "payment", it is proposed to strike out the period and insert a colon and the following proviso: "*Provided*, That benefits under subsection (e) of this section shall be payable in two instead of three equal installments."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to, and without objection, the amendment as amended is agreed to.

Mr. DAVIS. Mr. President.

Mr. BARKLEY. I yield to the Senator from Pennsylvania.

Mr. DAVIS. Mr. President, I desire to say that I shall support the amendment wholeheartedly and support the bill to provide mustering-out payments to members of the armed forces, but, since in a few days the Senate will recess for the holiday season and Senators will return home to discuss many important public problems with their constituents, I should like to remind them that probably the most outstanding issue of the times is the question of world peace—a peace which men have always sought but never attained. I know that the mothers and fathers and the wives and sisters of American men who are now fighting the battles of the world are hopeful that this time mankind will find the answer to the eternal quest for peace.

I sincerely trust that the philosophy and spirit of Him whose birth and life we commemorate at this season will abide with us and lead us into the paths of human righteousness and world peace. For with His help we can truly establish a world community which can be described in these words:

Nation with nation and land with land,
Unite to make men free;
And every peaceful heart and mind
Proclaims our liberty.

Mr. AUSTIN. Mr. President, I think the Senate was entirely justified in its action in accepting the amendment proposed by the Senator from Kentucky and the committee amendment as amended by that amendment.

Before the bill passes I desire to say in behalf of the Senator from New Hampshire [Mr. BRIDGES] who, unfortunately, is necessarily absent, that he took into consideration in preparing this proposal of amendment, which was offered in the form of a bill, facts which are of record here, such as appear on page 19 of the hearings. I have no intention of reading what appears there, but only of calling attention to this striking condition, which calls for prompt action of the kind the Senate is apparently about to take.

Here are listed typical cases of discharged soldiers or soldiers who have been retired from active service and who are entitled to benefits under existing law, to be awarded by the Veterans' Administration. I shall summarize the cases in order to make perfectly clear that there is a hiatus between the discharge and the time of payments or benefits under the existing law when a soldier is discharged for injury, and in all instances the soldier is left to rely upon such resources as he may otherwise have or upon the resources of someone else who may be regarded as doing a charity to him. His position, therefore, is a humiliating one.

In case No. 1 the discharge occurred in April 1943, and the procedure for getting the soldier the benefits has not yet been finished, and he has not yet received a cent.

In case No. 2 the discharge was in April, and the soldier has not yet been examined, and therefore has not received any benefits.

In the third case there was a hiatus from July to November, during which

time the discharged soldier had to be dependent upon friends or somebody else to take care of him.

In the next case the hiatus between discharge and benefits was from July to October.

In the next case it was from August to November.

In the next case the discharge occurred in February and there have been no benefits yet.

In the next case the discharge was in July and there have been no benefits yet.

In the next case the hiatus was from July to October.

In the next case the hiatus was from June to the present time, during which time the soldier has not received any benefits.

In the next case the hiatus was from June to the present time, during which time nothing has been paid.

The next is a striking case. The discharge was in December 1942, and the poor soldier has not yet had his case decided, and has not as yet received any payments.

In the next case, which is the twelfth, the veteran was discharged in June 1943, and has not yet been paid anything.

In the next two cases the discharges were both in March, and no payment has as yet been received by either veteran.

In case No. 15, a recent survey of State hospitals for the insane in northern California alone showed 100 discharged veterans of World War No. 2 being confined there because of lack of beds in Veterans' Administration facilities.

Mr. President, this statement does not comprehend the whole field; it is a mere sample of cases which characterize the conditions of a very large number of veterans of this world war.

The evidence before us tended to show that since Pearl Harbor more than 1,000,000 such men have been relieved from service. Others have been discharged for one reason or another, and the present rate of discharge, as nearly as we can estimate it, is 70,000 a month. I notice that the distinguished leader referred to 75,000. Perhaps his view of that matter is more sound than ours.

Mr. BARKLEY. The number I gave was the number estimated by the Army officers who appeared before the Committee on Military Affairs on the fathers' draft bill, as of the end of this year, when they expected to have an army of 7,700,000. Of course, they stated that the number of discharges thereafter would increase as we became more active in actual battle.

Mr. AUSTIN. I understand the difference now. It is because those figures were figures covering replacements, and they necessarily included the replacements of men who died in battle. Therefore, it is quite likely that those replacements, which are of men discharged or relieved from active service, would number about 70,000 a month.

In any event, the problem is a serious one; it is a pressing one. There is every reason to justify the distinguished Senator from Kentucky in having brought his bill forward 3 days after the President had sent his message to the Senate upon the subject.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. WILEY. Is the term "mustering out" equivalent to "discharge"?

Mr. AUSTIN. No.

Mr. WILEY. What is the difference?

Mr. AUSTIN. Mustered out can occur without a discharge.

Mr. WILEY. I think that should be made clear.

Mr. AUSTIN. We discussed that matter, and adapted the language to the possibility of a man leaving the service under honorable conditions which did not amount to an honorable discharge. There are various ways in which that can come about, and it was because of that possibility that we changed the language from the double negative. In the original bill the words "who shall have been discharged or relieved from active duty under other than dishonorable conditions." We changed that to the affirmative allegation, "who shall have been discharged or relieved from active duty under honorable conditions on or after December 7." That could include men who have been relieved from active duty but who do not have an honorable discharge. There was a debate in the committee as to whether we should include among the conditions upon which eligibility for these benefits depended the presentation of an honorable discharge, limiting the benefits to those only who could present honorable discharges. We found, on investigation, that that would result in great injustice to a class of men who have left the service for the benefit of the service, and yet who have not been entitled to honorable discharges.

We start off with this broad field of men who have been discharged or relieved under honorable conditions, and then we narrow that in some particulars. One is that such payments shall not be made to members of the armed forces who have had no service outside the continental limits of the United States, and who are discharged or relieved from active service solely on their own initiative for occupational reasons. That reflects the philosophy of the bill. If a man who has never left this continent steps out of the armed forces at his own request, to enter upon an occupation which without doubt will compensate him more than his pay as a soldier, then he does not need the benefits. In other words, the theory of the bill, as the committee conceived it, is that it is founded upon need, and should provide a mustering-out payment founded upon need, not intended in any way as a substitute for any other compensation. While I use the term "other compensation," it really is not compensation, and it is not intended to be such.

One point which I wish to make clear now is that there can be only one benefit to one person, under the proposal. There are conditions under which men are mustered out, yet they reenlist, and although the committee would have been glad to introduce into the bill the element of encouragement for reenlistment, the members of the committee thought it

wise not to confuse the basis for this payment by having any other consideration for the payments than need.

Mr. BURTON. Simply to clarify that point, will the Senator assume the case of a man who has served for 12 months outside the continental limits of the United States, and also has served 12 months inside the continental limits of the United States, one period following the other, and is then discharged. What would he receive?

Mr. AUSTIN. He would receive the maximum rate according to his service. We can ignore his service on the continent in ascertaining the rate at which he receives benefits in the class in which he falls.

Mr. BURTON. His service in the United States does not place him in the \$200 class; and then he receives an additional mustering-out pay for serving outside the United States?

Mr. AUSTIN. That cannot be done. The bill forbids it. The proposal says:

That no person entitled to benefit under this act shall receive mustering-out payment more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge—

That is, discharge—for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

Mr. BURTON. That clause happens to appear in the paragraph which deals particularly with those who have already received their discharges. I desire to have this made clear. If a man is sent out of the country, serves overseas, and then receives his mustering-out pay on the basis of overseas service, it is not necessary to consider his prior service in the United States?

Mr. AUSTIN. It is not necessary to consider it. He can receive but one payment, and, of course, that would be based on the category which would pay him the most money.

Mr. President, I think there is nothing further I particularly care to call attention to. I regret that we have had to proceed in the absence of the Senator from New Hampshire [Mr. BRIDGES], but I feel perfectly sure that he would have wished us to do as we have done if we could have conferred with him in respect to the matter.

The PRESIDING OFFICER. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and read the third time.

Mr. LODGE. Mr. President, as I read the bill I would be eligible for a benefit under its terms, and for that reason I feel that propriety dictates that I be excused from voting.

The PRESIDING OFFICER. Without objection, the Senator is excused.

The question is, Shall the bill pass? The bill (S. 1543) was passed, as follows:

Be it enacted, etc., That each member of the armed forces of the United States, who shall have been engaged in active service in the present war, discharged or relieved from active service under honorable conditions, on

or after December 7, 1941, shall be eligible to receive mustering-out payment: *Provided*, That mustering-out payment shall not be made to any person who, at the time of discharge or relief from active service, holds a commission, either permanent, temporary, or in any reserve capacity, of any rank above that of colonel in the Army, or of any equivalent rank in any of the other branches of the armed service of the United States: *Provided further*, That such payment shall not be made to members of the armed forces who, at the time of discharge or relief from active service, are transferred or returned to the retired list with retirement pay or to a status in which they receive retirement pay: *Provided further*, That such payment shall not be made to members of the armed forces who have had no service outside of the continental limits of the United States and who are discharged or relieved from active service solely on their own initiative for occupational reasons.

SEC. 2. Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

(a) \$500 for persons who have served outside the continental limits of the United States or in Alaska for 18 months or more after December 6, 1941.

(b) \$400 for persons who have served outside the continental limits of the United States or in Alaska for 12 to 18 months after December 6, 1941.

(c) \$300 for persons who have served outside the continental limits of the United States or in Alaska for less than 12 months after December 6, 1941.

(d) \$300 for persons who have served within the continental limits of the United States (excluding Alaska) for 12 months or more after December 6, 1941.

(e) \$200 for persons who have served within the continental limits of the United States (excluding Alaska) for less than 12 months after December 6, 1941.

Each individual eligible to receive mustering-out payment shall receive one-third of the stipulated amount at the time of discharge or relief from active duty. The remaining amount of mustering-out payment shall be made in two equal installments—1 month and 2 months, respectively, from the date of the original payment: *Provided*, That benefits under subsection (e) of this section shall be payable in two instead of three installments.

SEC. 3. Any member of the armed forces entitled to mustering-out payment but who shall have been discharged or relieved from active service under honorable conditions before the effective date of this act shall receive the benefits thereof, beginning within 1 month after application has been made by such person and received by the appropriate department: *Provided*, That no person entitled to benefit under this act shall receive mustering-out payment more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

SEC. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this act shall be made to any other person.

SEC. 5. No part of the mustering-out payment authorized by this act shall be subject to deduction in settlement of debts due the

United States or instrumentalities thereof, nor shall such payment be assignable or subject to the claims of creditors of any person to whom or on behalf of whom it is paid; and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

SEC. 6. As used in this act—

(a) The term "member of the armed forces of the United States" means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

(b) The term "spouse" means a lawful wife or husband.

(c) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

(d) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. The Secretary of War and the Secretary of the Navy shall administer this act within their respective services.

SEC. 8. This act may be cited as "Muster-out Payment Act of 1943."

The title was amended so as to read: "A bill to provide for mustering-out payments to members of the armed forces, and for other purposes."

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, I wish to say to Senators that because of the situation with respect to the deficiency appropriation bill it is necessary for the Senate to hold a session tomorrow; otherwise, I should have moved that the Senate go over until Monday. It is necessary, however, to meet tomorrow, and I hope Senators will arrange their plans accordingly.

SWITZERLAND'S HELP AS A NEUTRAL

Mr. HILL. Mr. President, a few days ago the ship *Gripsholm* arrived in New York City, bringing to our shores approximately 1,500 Americans who had come from Japanese prison camps. The return of these Americans was made possible by the exchange of Japanese prisoners for them, through the good offices of the Government of Switzerland and the International Red Cross Committee of Geneva.

As we know, matters, many of which involve the welfare and at times even the lives of citizens of nations at war, cannot be handled through negotiations between the warring nations. It is only through the good offices of neutral nations that such matters can be handled.

We have long known that the United States had a good friend in the Government and people of Switzerland, but the rescue of our fellow Americans from the Japanese prison camps challenged my attention and prompted me to make inquiries as to the services of the Government of Switzerland and the International Red Cross Committee of Geneva. I find an impressive list of these services, and I wish to pay my tribute to the Government of Switzerland and the International Red Cross Committee of Geneva. I wish to pay my special tribute to the Minister from Switzerland, the Honorable

Charles Bruggmann, for his splendid leadership and his fine and devoted work in the rendering of these services. I ask, Mr. President, that a list of these services may follow my remarks in the body of the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The chief humanitarian activities of Switzerland performed in its capacity as a neutral by its diplomatic representatives and through the intermediary of the International Red Cross Committee of Geneva are briefly summarized below.

The International Red Cross Committee of Geneva has been founded in Switzerland and is composed entirely of Swiss members. Two-thirds of the funds necessary for the work of the International Red Cross are furnished by the Swiss government and the Swiss people. The offices of the International Red Cross Committee cover a space of 1,650,000 square feet. Of the 8,500 employees in Geneva, two-thirds are voluntary workers without salary.

The Swiss diplomatic service represents the interests of 27 belligerent nations. It may also be stated that Switzerland represents the United States in all, and Great Britain in most countries with which they are at war.

1. Switzerland handles the lists of prisoners of war and civilian internees in order to identify each individual. In numerous cases Switzerland handles the exchange of civilian internees and of the wounded or sick prisoners of war.

Fifteen million cards are filed at the International Red Cross Committee in Geneva. Each card bears the names and the particulars of a prisoner of war or a civilian internee.

Seven thousand to 15,000 letters and telegrams concerning prisoners of war and civilian internees are handled every day by the International Red Cross Committee at Geneva.

2. Switzerland transmits news, messages, and inquiries about all the prisoners of war and civilian internees the world over.

More than 10,000,000 messages to prisoners of war have been sent by their families through the intermediary of the International Red Cross Committee of Geneva.

Since the start of the war, 55,000,000 pieces of mail have been received or sent through the International Red Cross at Geneva.

3. Switzerland transmits food parcels to prisoners of war at an average of 450,000 parcels per month. Due to recent increase in shipments the average must approach approximately 700,000 to 800,000 parcels monthly. The parcels are shipped on Swiss boats under the supervision of Swiss delegates in belligerent countries. On a recent trip from Philadelphia to France the Swiss boat S. S. *Lugano* carried 1,000,000 food parcels for American and Allied prisoners of war. Another Swiss boat due to leave in December will also carry over 1,250,000 food parcels for the prisoners of war in Europe.

4. Through its diplomatic representatives and 97 International Red Cross representatives in 47 countries, Switzerland visits camps of prisoners of war and civilian internees and sends detailed reports to the belligerents. Through these activities Switzerland is checking in every camp, where she represents foreign interests, whether prisoners of war are treated in conformity with the Convention of Geneva of 1929.

5. As a neutral country surrounded by nations at war, Switzerland has received thousands of refugees, and sends to the populations of France, Holland, Greece, Belgium, and other countries food and medical supplies.

During recent events more than 30,000 Italian soldiers and more than 5,000 Italian

Myrtle England, Loretta Byington, Norwalk, Conn.; Esther Blackman, Stamford, Conn.; Winnie Ferris, South Norwalk, Conn.; Gracey Bredee, Pearl Byington, Norwalk, Conn.; Mae Pape, South Norwalk, Conn.; Agnes B. Colwell, Norwalk, Conn.; Richard Acer, Freeport, N. Y.; Mary D. Hoey, Saranac Lake, N. Y.; Bernard Bernstein, Holyoke, Mass.; Mrs. Daniel Kutzko, Brooklyn; Marian Ward, Mr. and Mrs. J. Lonberger, Joyce M. Kingsley, New York City; Charles W. Ervin, Bronxville, N. Y.; Ruth Phelps Morand, E. W. Kesper, Dorothy Weaver, New York City; Pat Mullison, Tunnie Martin, Detroit; Alfred T. Solomon, New York City; Norman Nash, Brooklyn; Moe Rosenthal, Bayonne, N. J.; Mary Faroin, Belleville, N. J.; Alan Feigenbaum, New York City; Isabel J. England, Pittsfield, Mass.; Elizabeth K. Hold, North Bergen, N. J.; Mrs. Laurence I. McCloud, New York City; Lewis M. Morozty, Poughkeepsie, N. Y.; Mike Meahh, Lawrence S. Kuble, Cora M. Paradis, New York City; Mrs. Charles W. Greer, Brooklyn; Paul Gardner, New York City; David Rosenberg, Brooklyn; Louis Shulman, Philadelphia; Helen Gottlieb, Alice G. Simensky, Brooklyn; J. B. Horowitz, New York City; Milton R. Stern, Fort Belvoir, Va.; A. S. Allen, Louis Bernstein, Mrs. B. F. Perry, Mrs. Sol Brandzel, New York City; Reuben Freedman, Providence, R. I.; D. Newman, Brooklyn; Cora Clarke, Norwicht, Conn.; Rose Katzman, Brooklyn; Alison Sulloway, Joseph Tailli, New York City; Frances Glantz, Philadelphia, Pa.; S. Miceh, Brooklyn; Jane Eager, Mary K. Daniel, New York City; Sam Rosen, Laurelton, Long Island, N. Y.; Emanuel Kalish, John Alcorn, New York City; Stephen L. Peake, Boston, Mass.; R. Schwadron, Albany, N. Y.; Lazette Van Houten, New York City; Marion Greene, Mrs. Schwartz, Brooklyn; Jessie Wahrmann, Elizabeth Eric, New York City; Jan Ziebach, Herbert R. Lottman, Joan Zilbach, Miss Sylvia Charner, Brooklyn; S. Jacobs, New York City; S. Lehman, Mr. and Mrs. Norman Engler, Brooklyn; Eleanor Walker, Alex Handis, Rose Ettelman, New York City; Mrs. L. R. Scott, Flushing; Mrs. E. S. Lang, Detroit; E. V. Reidinger, Stamford, Conn.; Mrs. K. G. Streiger, Eleanore Collette, Michael Morrissey, Harry Gladstone, Jess Fish, New York City; Martin Gelenter, Bronx; Muriel Walzer, New York City; Sam Kushner, Chicago; June Gogolick, Brooklyn; Sandra Slayton, Helene Minda, Ester Delisignore, New York City; Mrs. Lawrence T. Fish, Mrs. Howard F. Lillich, Washington, D. C.; R. L. Shoemaker, Los Angeles; Evelyn Knauff, Brooklyn; Yeta Silverman, Mrs. Ruth Silverstein, New York City; Asher Yeude, Far Rockaway; Margaret Farrar, Miss B. Hoffman, J. G. Bendick, New York City; Helen R. Muhlberg, Brooklyn; Sophie Gelber, Washington, D. C.; Max Berger, Boston; Evelyn Klein, Brooklyn; Edith Schulman, New York City; Sima Okum, Mount Vernon, N. Y.; Helene Blanchard, Erich Etten, Isabel C. Chamberlain, New York City; Esther Millon, Providence, R. I.; Jeanette Stern Turner, Mr. and Mrs. Abraham Paul Meyer, New York City; I. De Kaiser, Pittsburgh; Nina Miranda, Brooklyn; H. S. Ehrlrich, Helen Rosenberg, New York City; Walter Eiselson, Warrenton, Va.; Mr. and Mrs. E. Mardfin, L. Pilisuk, Brooklyn; Irene Wilson, Cliffside Park, N. J.; Natalie Garvin, Evelyn Horowitz, Michael Satzman, Brooklyn; Jerome J. Kravatz, Bronx; C. Shalit, Browns Mills, N. J.; Mr. and Mrs. P. L. Krohm, Mr. and Mrs. Ralph Ilowite, P. Cullen, S. Levy, New York City; Marie Moran Rosenfield, Minneapolis; Max B. Greenstein, Brooklyn; William Thalheimer, New York City; Carrie Freidman, Brooklyn; Jean Corwin, New York City; Arthur Eidus, Brooklyn; Mrs. Lea Etta Sitomer, Poughkeepsie, N. Y.; John M. Whitmore, Reisterstown, Md.; M. L. Barrett, A. Rosengweiz, Bronx; H. Frank, New York City; F. L. Cohen, Bronx; Fred F. Gold, New York City; Violet Rasmussen, Port Washington, Long Island, N. Y.; Elsie Kratz, Margaret

Cohen, Sarah Kay, New York City; Lessie Pfiffer, Sylvia Solomon, Brooklyn; Sara Aiken, Forest Hills, N. Y.; Abe Sharugrudsky, Brooklyn; Melvin Wiene, Bronx; Ruth Mandel, New York City; Gertrude Wolfson, Bronx; Mr. and Mrs. S. Coleman, A. Pesso, M. Cohen, Brooklyn; R. B. Irwin, Elkins Park, Pa.; Norman Kupenberg, Brooklyn; S. Goodman, New York City; Max Gross, Brooklyn; Martin F. Schneer, Denver, Colo.; Ruth M. Brillant, Bound Brook, N. J.; Bertha B. Cole, J. M. Cole, New Hope, Pa.; Le Roy S. Rosenbaum, New York City; Pvt. L. Gedaly, Fort Bragg, N. C.; Irene Rosoff and family, New York City; Marjorie N. Bennett, Cambridge, Mass.; Adelaide B. Crandall, Mansfield, Conn.; Robert Cenedella, Mount Vernon, N. Y.; H. L. Miller, Cecilia P. Miller, Nichols, Conn.; Benjamin Fox, Bronx; B. Hoffman, Middle Village, N. Y.; Mrs. Eleanor Scholz, Boonton, N. J.; Harry Gitlin, Bronx; D. Renan, New York City; Alvyn Maurer, Brooklyn; R. M. Handshoe, Mrs. Dorothy Nissim, Freda Lane, Bronx; Mrs. E. S. Adelson, Brooklyn; Celia Mallshesky, J. S. Volkert, Bronx; Helen Fieldlander, New York City; F. Goldberg, Ruth Kaye, Doris Kauyay, Bronx; Linda Schuer, Goldens Bridge, N. Y.; Pauline Englander, Jersey City, N. J.; Mrs. Natalie Rothblatt, Elmhurst, Long Island, N. Y.; Lillian Stern, New York City; Mrs. Edith Gluckman, Newark, N. J.; Harry Bretz, Brooklyn; Mr. and Mrs. Arnold Sundgaard, Old Westbury, Long Island, N. Y.; Roslyn Zwicker, Bronx; George Gluck, Gloria Rogoff, New York City; Valerie Lois Gretel, Charles S. Belkin, Brooklyn; Carmen Pena, New York City; Herman Schneider, New York City; Beatrice Winser, Newark, N. J.; Sidney Hess, Wallington, N. J.; Mrs. Dora Dlmen, Brooklyn; Hans Mueller, Mrs. Vivian Yale, Carmen Rodriguez, New York City; Sam Dorfman, Presque Isle, Maine; Lotte Mintzes, Brooklyn; Mr. and Mrs. Edward L. Rich, Derby, Conn.; Arnold Weiner, Ruth Brickner, New York City; Molly Epstein, Brooklyn; David Levidow, Long Island City, N. Y.; Eleanor Redick, Forest Hills, N. Y.; I. L. Weinberg, New York City; Mr. and Mrs. H. L. Glazer, Brooklyn; Ruth C. Foote, New York City; Dorothy Robbins, San Antonio, Tex.; Sylvia Utensky, New York City; Philip Kronish, Brooklyn; Estelle Herstein, Newark, N. J.; Rose Marks, Nlma Schneider, Mrs. R. Safer, New York City; Anne C. Lukoff, Miss L. Glasgow, Brooklyn; Milton C. Simon, Ithaca, N. Y.; Mildred Ginsberg, Brooklyn; Isadore M. Zamost, New Brunswick, N. J.; Maurice Kaufman, Bronx; O. M. Resen, Jay M. Cornell, M. H. Lichtenberg, New York City; Mrs. E. Guberman, Baltimore, Md.; William Feinberg, New York City; Mrs. Thomas Wallace, New Haven, Conn.; Nathan Budnetz, Richard Desmond, New York City; Mary J. Brettin, Toledo, Ohio; Lee H. Sharp, Bayside, N. Y.; Herman Kaplan, Clara E. Straus, New York City; Shirley Mauer, Brooklyn; Rose P. Spanier, Forest Hills, N. Y.; Libby Weinberger, Brooklyn; Dolores Ortiz, New York City; Leonard Schwartz, Mrs. Edgar I. Scher, Mrs. Benjamin Mann, Perth Amboy, N. J.; H. Feldman, Brooklyn; Lionel Scheier, New York City; Herman L. Lieberman, Bronx; Joe Follberg, Lampoon, N. Y.; Emanuel Boyers, New York City; M. Rittenthal, C. Schulman, Brooklyn; Alex Panzer, Louis Supton, A. Allen, New York City; William Zwickler, Bronx; Sarah Levine, Brooklyn; Mrs. R. Festhers, E. Tublin, Nancy Minissale, Frances Vella, R. Korenlich, Rose E. Kanter, New York City; Sylvia Haber, Providence, R. I.; Charles Landison, Helene M. Miner, Jacob D. Goden, Brooklyn; F. Schacht, Browns Mills, N. J.; Harry Eliasof, Bronx; Bernard Steir, Mount Vernon, N. Y.; Mollie Drucker, Bronx; Jerome D. Langfen, Washington, D. C.; John M. Frantz, Arlington, Va.; Mrs. R. Brooks, Bronx; David Goldwater, Muriel Feuer, E. Jude Bien, New York City; Mrs. H. Sachs, Baltimore, Md.; Doris A. Ascher, Brooklyn; Ethel K. Hurwitz, New York City; Shirley Beinfeld, Brooklyn; John C. Heinrich, Camp McCoy, Wis.; Sally Feldman, Brooklyn; Jean Schiraga, Philadelphia, Pa.; Norman L. Adolf, Jackson Heights, N. Y.; N. J. Minor, New York City; Elaine Simon, Brooklyn; Mrs. Irwin S. Rosenfeld, Oak Park, Ill.; Florence Horowitz, Brooklyn; Lewis Steinfield, Bronx; Beverly Trachtenberg, Brooklyn; Helen Greenbaum, Jamaica, N. Y.; George N. Raybin, Bronx; Ida Seiden, Brooklyn; James Moyer, Brooklyn; Mrs. Charles A. Janeway, Weston, Mass.; Anita Kirkwood, Brooklyn; Christine Compton, Elizabeth Compton, Florence Cane, M. H. Cane, Arthur A. Halper, New York City; Anne Gadol, Brooklyn; E. Horowitz, Chicago; W. J. Donahue, Belleville, N. J.; Stanford H. Mirkin, New York City; David J. Monas, Pottsville, Pa.; Harold Lipshultz, Philadelphia, Pa.; Benjamin L. Hillson, Long Island City, N. Y.; S. Larson, New York City; Joseph A. Story, Brooklyn; Charles Mabrisso, Boston; Eugene Gelser, Oberlin, Ohio; Pauline Dichter, Astoria, N. Y.; Mrs. Morris Mason, New York City; Max Gross, Brooklyn; Lillian Palomino, New York City; Miss Jewenblatt, Bronx; Mrs. Hannah C. Katz, Brooklyn; K. Flowers, Columbus, Ohio; Sara M. Glantz, Philadelphia, Pa.; Mrs. N. King, Washington, D. C.; Mr. and Mrs. J. Samuels, Ethel Kahn, Mrs. Pearl Ransom, Frances Besner, New York City; Samuel N. Ray, Forest Hills, N. Y.; A. Bakat, Brooklyn; Randolph Phillips, Pittsfield, Mass.; Mrs. A. Taub, Lisbeth H. Goodstein, New York City; Regina Hotha, Chicago; J. Ostrower, Woodbridge, N. J.; David Geller, Boston; Mary Dustan, New York City; Mrs. G. A. Hansen, Brooklyn; H. R. Leish, New York City; William Palinski, Racine, Wis.; Robert Pontridge, Brooklyn; George Hornby, Jane Werner, Vivian Rotolo, New York City; Helen Kemaltz, Astoria, Long Island, N. Y.; Anne De Stefano, Brooklyn; Colby Cleveland, New York City; Mrs. B. Rubin, Brooklyn; Miss R. Englander, Jersey City; Mrs. J. Schwartz, New York City; Etta Premlinged, Perth Amboy, N. J.; A. Sealzo, Brooklyn; Constance L. Moerman, Falls Church, Va.; Edna Solomon, Murray Levinger, New York City; Phillip Balaban, Bronx; Gartin Pippen, Saul Ascher, Brooklyn; Juanita J. Saddler, Cambridge, Mass.; Mrs. A. Ammirati, New York City; Martin Blumberg, Fort Monmouth, N. J.; Rae Schaffyin, New York City; Mrs. Ben Yudernfriend, Brooklyn; Jeanette Shipper, A. D. Tinkel, Bronx; J. D. Hirsch, Newark; Mrs. Joseph Schwartz, Perth Amboy; Temmle Miller, C. Sloane, New York City; Rebecca P. Elliott, Esther Rubin, Philadelphia, Pa.; Welton Chipmanswain, New York City; Rosalie Shore, Philadelphia, Pa.; Leah M. Hoffman, H. Lennon, Mary C. Reick, Celia Gevelber, Rita Rullo, Katherine Richardson, A. M. Pulen, Sarah Kirstein, Ethlyn Schellak, Mary C. Hartzell, Rosemary Eitzen, Lola Casino, Elizabeth Davis, Mary Krasovitz, New York City; Ruth Fields, Rebecca Kopelson, Brooklyn; Harry B. Strebigs, Lakewood, Ohio; Jeanette T. Dennis, Brooklyn; Mr. and Mrs. Ralph Gonzales, Bronx; Mr. and Mrs. Joseph Sherr, New York City; R. Siegel, Newark, N. J.; Elinor Woodruff Leland, Danbury, Conn.; Mr. and Mrs. Nathaniel Keisna, Bronx; Mrs. M. P. Reynaud, Long Island City, N. Y.; Mrs. Arthur A. Cohen, Los Angeles; Mrs. M. M. Danovitch, Norwood, Mass.; Margaret F. Sloss, Aurora Aponte, H. J. Roth, Minnie Altmann, New York City; Elizabeth V. Schrack, Norristown, Pa.; Sally Zeltlin, New York City; Milton H. Solomon, Fort Meade, Md.; Wilbur U. Jones, Wheeling, W. Va.; Charles Goldstein, Frances Grusberg, New York City; Helen Morrisson, Gloria Sultan, Brooklyn; Henry D. Demling, Bronx; Mrs. W. S. Stachensfield, Brooklyn; Barbara Lichtenstein, Yellow Springs, Ohio; Ruth Chechanover, Brooklyn; Anna Lemling, Greenbelt, Md.; Jacob Auerbach, Mildred Auerbach, Brooklyn; Sarah Zaber, New York City; Vernon D. Sutcher, Camp Gordon, Ga.; Sidney Kauf-

man, Hope, Ark.; Elliot R. Cades, Philadelphia, Pa.; Elsie Goldberger, Perth Amboy, N. J.; Stanley Silverman, New York City; Edmund J. Pickup, Brooklyn; Mrs. Alice Fletcher, Glen Mills, Pa.; Leon Moses, Jr., Columbus, Ohio; Irving Krauss, New York City; W. H. Haight, Hackensack, N. J.; Mrs. S. Konigsberg, Shirley, Mass.; J. C. Miles, Cleveland, Ohio; M. Flachs, Newark, N. J.; Jack Shore, Frances Shore, Brooklyn; Bee Workman, Anne E. Morley, New York City; B. A. Bianchi, Washington, D. C.; Mrs. S. L. Washburn, Thomas Spikley, New York City; Samuel A. Weiner, Paterson, N. J.; R. M. Shanoff, Chicago; Mrs. L. Fears, Astoria, Long Island, N. Y.; Estelle Freedman, Brooklyn; Mrs. William B. Rosenman, New York City; Sidney S. Grant, Bertram D. Halpern, Boston, Mass.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

Mr. MARCANTONIO. Mr. Speaker, I am not going to concern myself with the comments on the political character of either the Republican, or Democrat, or American labor parties, made by the gentleman from Mississippi [Mr. RANKIN] because I do not believe anyone else will pay any attention to his statement. But, I want the membership of this House to know one thing, that is, that the names singled out by the gentleman from Mississippi were the names of wives of American soldiers.

Everyone of those ladies whose name he mentioned in the RECORD the other day is the wife of an American soldier, either in a camp here or fighting overseas. It is my opinion, that when he makes targets of women of that character, women who have given their husbands for our war, it is hitting at genuine American patriots.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Ever since Adam and Eve had to get out of the garden, it has been the custom of a certain class of men to hide behind women's skirts. That custom still prevails, and if the gentleman from New York [Mr. MARCANTONIO] wants to do that, as he did this morning, that is all right with me; that is his right.

Yesterday he said I was a "Rankin Republican," following JOHN RANKIN. I want to strike for independence now and say to the gentleman from Mississippi [Mr. RANKIN] that I disagree with him wholeheartedly and completely when he said, as he did a few moments ago, that the party of the gentleman from New York, and the Communists, were pure and simple. Neither is pure, neither is simple.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing in this morning's Washington Post concerning the Honorable MIKE MONRONEY, of Oklahoma.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that after the conclusion of previous special orders today, I may address the House for 15 minutes.

The SPEAKER. Is there objection? There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes at the conclusion of the other special orders today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LICK THE PLATTER CLEAN THIS CHRISTMAS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, I am glad to hear the declaration that we are going home for the holidays. I hope as we sit around our tables and enjoy ourselves we shall have the assurance—I know we shall—that all the men in the armed forces will have turkey, too, with all the trimmings. We must not forget, however, that throughout the world there will be millions of hungry people who have not had bread or meat for a long time. We should conserve our food and share it with others less fortunate. Let us be mindful of them and lick our platters clean. It is the patriotic thing to do. Then to let us hope and pray that next Christmas the soldiers will all be at home with their loved ones with plenty to eat in all the world at peace, and then by the grace of God and by His help we will build a new and better world.

PROBLEMS OF THE EX-SERVICEMEN

The SPEAKER. Under the previous order of the House the gentleman from Washington [Mr. HORAN] is recognized for 10 minutes.

Mr. HORAN. I see by this morning's paper that the other branch of Congress has passed a bill making an outright gift of from \$200 to \$500 to each discharged soldier. Being a veteran of the First World War I want to say that it will take more than that.

I wish to make plain my own conviction that it will take more than just money to rehabilitate our boys.

They must be made a part of our productive economy. A dollar spent in providing opportunities, or in preparing them to grasp opportunities, will be worth ten times as much as a dollar handed out to them without thought.

Capital credit and the availability of education are the keys to the future as

far as the returning boys are concerned. Credit to assure a start toward whatever capital investments these opportunities require and available education to assure the knowledge and training that these opportunities may demand.

Let me say again that money alone will neither serve the best interests of the returning men nor solve the looming problems of the post-war era.

The solution, to my mind, is founded upon the fact that he who works makes work for others, and the influence is cumulative.

The task before us is to integrate each man with a fitting and congenial job into the pattern of the whole.

Mere money in one's pocket tends to promote idleness and in the negative sense we can say that he who does not employ himself at purposeful and useful tasks makes in the end unemployment for others.

The problem is before us now. Already tens of thousands of men have received their discharges, for many reasons, medical and otherwise. Some have tasted the bitter cup of our unpreparedness for a return to their civilian life. We must guard against that bitterness.

I would like to read you a letter received in my office. It is from another veteran of the last war:

DEAR WALT: On December 6, I was in the Seattle city hall trying to get enough gasoline to return home when I happened to overhear a remark from the sergeant of police to a young fellow. "This is no flop house," was the answer to a request for a place to sleep.

You could tell from looking at the fellow that he was no ordinary kid, and I asked him why such a request was necessary, why wasn't he in the Army, the Navy, or the Marine Corps. The answer I got put me in my place, because he spent most of his enlistment in New Guinea and Australia.

I was in the last war and do not believe every soldier I meet or hear sounding off, so in due course of time I asked to see his service record when he was paid off. This was it:

Bosley, Richard. Age 24. Weight at time of enlistment, 196 pounds. That was February 3, 1941.

Discharged at Salt Lake City, September 18, 1943. Weight 158 pounds. Rate of pay, \$56.

Wound caused by .25 calibre bullet, right leg, in action in New Guinea, Forty-first Division. Wearer of Order of Purple Heart. Sent to Australia after wound for treatment. Further transfer to the States for disposition.

After 2 months in hospital called before "survey and disposition" one day, signed off, and next day sent on his way with 300 other casualties to civilian life. Transportation and meals furnished to Spokane, Wash., from Salt Lake and turned loose with \$31.03 in his pocket.

Tried to return to his old job with Safeway Stores, but was turned down, simply couldn't hack a job like that. Turned down by Boeing for the same reason.

Fortunately this story has a happy ending. When the facts were learned, I bought this boy some clothes, got him a room, got him cleaned up, fed him for a couple of days, and got him back into normal thinking lanes, and then took him to Hanford and got him a job with DuPont, working as a guard.

The damndest thing about it all is that we can give millions of dollars to build a maternity hospital in South America to raise a bunch of "mafianas," but not a cent for the rehabilitation of the boys who have given everything. Gone into the ash can are the promises to take care of the boys.

Eric Johnston states in the paper today that 17,000 a month are being discharged from the service and no facilities are under way to take care of them. Let the word get back to the troops on the lines that the boys are "getting the works" from the Government, and the morale of the United States armed forces will not be worth a tinker's damn.

The time for taking care of the wounded soldiers is not after the war, but now. The problem is not in the future. It is here now.

CLARENCE DURHAM.

And here's part of a letter from a former veteran, again in the service. He writes from New Guinea:

I have confidence, that as an ex-service man, you will give it the attention it deserves. The bonus we received in the last war never struck me as being the answer to a serviceman's prayer.

And that letter is from Frank Stark, boatswain's mate, first class, with the Fleet in the South Pacific.

Mr. ROWE. Mr. Speaker, will the gentleman yield?

Mr. HORAN. I yield.

Mr. ROWE. Mr. Speaker, is it the gentleman's opinion that if we pay just in the form of money as an excuse for a greater duty that may fall upon us and in that very act we are admitting our own weakness?

Mr. HORAN. That is right. Any bonus should be administered with intelligence.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HORAN. I yield.

Mrs. ROGERS of Massachusetts. Does it not seem, though, that if a flat payment were given to the men it would give them a little opportunity to get some clothing and look about for a position? I think many of the men—in fact, I know—do not know their rights under the law.

Mr. HORAN. I agree with what the gentlewoman says. My idea is that we must make sure also that those positions exist, and so regulate our economy that we create more rather than less positions and opportunities. The mere putting of money in the pocket without assuming this greater responsibility is to me shortsighted and unworthy of our heritage as Americans.

Mrs. ROGERS of Massachusetts. Training should be given to the men not only after they get out of the service but training while they are still hospitalized in order to fit them in every way for their duties in civil life. I introduced a bill which I believe the gentleman would approve, and which would provide pay while they are in the hospital or until they get their cases rated for compensation or else give them a terminal furlough so their pay would continue until they were given final rating.

Mr. HORAN. That is a good thing, but we must do more than that; we must assure them employment after hospitali-

zation, after training, after educating. We must be conscious of our responsibility and act with both objectives in view.

Mrs. ROGERS of Massachusetts. And with war industries closing, as they are, civilians are out of employment, and it is that much harder for the veterans.

Mr. HORAN. We are on the threshold of the need for some real reconversion of our economy for civilian or peaceful needs right now, I believe.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. HORAN. I yield.

Mr. CUNNINGHAM. Is not the primary need these veterans face and the primary problem that faces us, real employment for the soldiers when they are mustered out?

Mr. HORAN. Yes. My own theory, and I express only my own opinion in this matter, is that quite often the bonus is something the soldier looks at as a tangible matter, and it tends to cloud his vision as to what his greater purpose in our Nation should be.

Mr. CUNNINGHAM. I agree with the gentleman, but my real question is this: Is not the real problem facing this Congress one of providing employment? Is not that paramount to the bonus question? The bonus is something that can be had at any time.

Mr. HORAN. Yes. The bonus should be only a stopgap.

Mr. CUNNINGHAM. We will do it; there is no question about that, but we should get busy and provide them employment.

Mr. ROWE. Mr. Speaker, will the gentleman yield further?

Mr. HORAN. I yield.

Mr. ROWE. Is it not true that the bonus may cloud the issue as to what the soldier is entitled to? It may cloud the issue that faces the Congress and make them tend to forget the greater problems once they have granted the bonus.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield further?

Mr. HORAN. I yield.

Mrs. ROGERS of Massachusetts. Does it not seem fair beyond question that the soldier should be given mustering-out pay? I do not like the word "bonus"; it is not a bonus. It seems to me that pay is the thing that should be given to them. Bonus has always seemed to me to indicate something not earned. Certainly the veterans have earned it.

Mr. HORAN. The gentlewoman is correct. We must help our boys to help themselves, with credit capital, educational facilities, and what lump sums we give them should be honestly labeled as the gentlewoman indicates.

Our job is to make the returning boys a working part of a working America. Anything short of that will be fatal.

Mere doles of money can make but a minor contribution to the achieving of that end.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own

remarks in the RECORD and to include therein a poem which came to me through the mail dedicated to the All-American Gwabit.

The SPEAKER pro tempore (Mr. HARE). Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

MORALE IN THE SOUTHWEST PACIFIC

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JUDD. Mr. Speaker, we cannot afford to continue blinking the fact that morale among some of our forces in the Southwest Pacific and Asia is being subjected to almost superhuman strains. The admitted toughness of our Japanese adversary is not the reason. Our men are the equals of any in the world.

The two chief causes are, first, the evidences on every hand that so many of us at home do not yet realize that this is an all-out, total war, and requires of us the same devotion and discipline, the same willingness to accept sacrifices of our comforts and our conveniences as we expect our men to make of their blood and toil and nerve.

The second factor is their approaching exhaustion, physical and particularly emotional, as a result of almost endless months without relief, and, even more, without any definite prospect of being relieved in any foreseeable future. Men can unwaveringly tread a road, no matter how hard, if they can see a definite turn up ahead. I believe we have reached a point where our military leaders must consider the assignment of a larger share of our growing shipping for replacing these troops to be as important as the transport of munitions. Men must be given guns and planes—yes, but guns and planes must also have fresh men more frequently than is now the case.

The situation is described most fairly in a letter written to his mother by a Minnesota boy who has been in the Pacific almost 2 years. May I read a portion of that letter:

You sent a clipping on the observations of Senator Lodge and others who have visited different areas in the war zones. I think it's time, high time, that plans are made to relieve the early troops. Two years is more than enough. Since America has elected to whip Germany first we necessarily are giving Japan the kind of opportunity she wants to develop a strong inner defense and develop the industries and economies with which to fight a long, delaying, attritional war.

I don't believe we have enough for quick victory. It can't be expected of a man that he go on and on year in and year out under these conditions without becoming bitter. Lodge says relief will make better soldiers, simply because we can go home, gratefully appreciating the loyalty of the American people. Without relief there may arise unhealthy and radical bitterness. Then, too, a man works better and more efficiently with a set deadline. He has a day to look forward to; he will speed it with occupation. I don't want you to think of this as

complaining because it isn't. I'm simply asking that the reasonable thing be done, and Senator LODGE believes it reasonable and practical. He says we have the troops and the ships. It's not easy to take—reading letters that tell of fellows back there on furloughs every few months—going to school on the Government—striking from labor without sanction of the guys over here—striking for colossal wages. Would you permit us to do that? No; of course not; it's unthinkable.

Yet this is a war of all people. Not a battle between two mercenary armies. Patriotism today means to me not a struggle for geographical America but a struggle for the decent people in it. Under the circumstances you can understand the growth of disillusionment and bitterness here when we read about some of the goings-on at home. If I were on a Minnesota farm, where I could drink fresh milk, eat palatable food, I'd be willing to help feed those who continue the fight here. I should ask for nothing more, and because I know what this is like, I wouldn't be wanting to strike.

EXTENSION OF REMARKS

MR. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent that my colleague from Kansas [Mr. WINTER] may be permitted to extend his own remarks in the RECORD and to include a newspaper article.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. EDWIN ARTHUR HALL]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

MR. SUMNERS of Texas. Mr. Speaker, a parliamentary inquiry.

THE SPEAKER pro tempore. The gentleman will state it.

MR. SUMNERS of Texas. Mr. Speaker, I had a special order. There were other Members ahead of me, I went out and when I got back I found that I had been passed. May I renew my request to address the House for 15 minutes?

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

MR. COSTELLO. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

MUSTERING-OUT PAY FOR SERVICEMEN

MR. COSTELLO. Mr. Speaker, a tremendous campaign is being waged throughout the country to provide mustering-out pay for the soldiers who are being discharged in this war and the demand is that this legislation must be enacted by the Congress immediately. They want it enacted before Christmas. The fact is if this Congress were to pass that legislation today no pay checks could be put out to the men who have been discharged within less than 6 weeks. So that you cannot consider this thing in the light of an emergency either for today or for tomorrow or for Christmas day or for some other day. As a matter of fact, the great volume of men coming out of the service may not come out for

another year or a year and a half, so that an immediate need does not exist. I think that the Congress should move slowly in enacting this legislation. Because of the fact that some criticism has been leveled at the Committee on Military Affairs for not having already reported to the House legislation on this subject, I feel some justification of this delay should be made.

The chairman of the committee, Mr. MAY, of Kentucky, has been called home by reason of the death of his nephew, who was recently killed in the crash of an Army plane in California. Before leaving Washington Mr. MAY directed that the gentleman from Texas [Mr. THOMASON] should call a meeting of the full committee in the event the special committee was prepared to recommend legislation on this subject.

MR. SPEAKER, the Committee on Military Affairs has held hearings on the matter. The special committee that has been appointed to go into the subject very thoroughly and to consider the various pieces of legislation that have been introduced, has held several meetings. I may say that there are any number of proposals being made at this time to provide all sorts of different types of benefits for the men when they are discharged from the service. It is a duty we owe this House to study the various proposals before making any recommendation.

In connection with the mustering-out-pay proposal, the suggestion has been made of \$300 per man. With 12,000,000 men in the armed services this means an expenditure of \$3,600,000,000. I want you to bear in mind that the adjusted-service compensation paid to World War No. 1 veterans, over which there was such tremendous controversy throughout the country, amounted to \$3,790,000,000, practically the same amount of money you are proposing in the mustering-out-pay bill at the present time. The \$300 proposal is five times the amount that World War No. 1 veterans received on being mustered out, namely \$60.

The biggest evil of this campaign that is now being conducted is the confusion that has been created in the minds of the public and the confusion that has been sent to the men overseas and the men in the services everywhere because the mustering-out pay has been confounded with disability compensation, hospitalization, and similar things that are due our disabled veterans. This Congress has done everything within its power to provide the necessary legislation to take care of the disabled veterans of this war. Unfortunately, there has been a great deal of paper work necessary to take care of these cases. As a result some delays have ensued, but the Veterans' Administration is working today with the War and Navy Departments to expedite the handling of those cases. There are approximately 80,000 or 85,000 cases being considered at this time by the Veterans' Administration. They estimate that within 30 or 40 days every one of those disabled cases will have been rated by the Veterans' Administration and the men will be receiving their pay checks or will be admitted to hospitals

in those cases where they are entitled to hospitalization.

They have set up additional rating boards in the Veterans' Administration and they are endeavoring to get the personnel necessary to create more. The Army is arranging to consolidate their mustering-out centers for disabled persons so that it will be more convenient and so that it will be possible for the Veterans' Administration to have a rating board at each one of these mustering-out places. In that way no disabled soldier will be discharged from the service until he has been rated by the Veteran's Administration and his papers are put on file with the Veterans' Administration. Everything is being done to expedite this matter.

Because of the fact a few disability cases have not been promptly rated, and because this has been confused with the mustering-out-pay proposition, great confusion has resulted, but no harm is being done or will be done by the fact a delay may ensue in the enactment of mustering-out-pay legislation. The great majority of the 630,000 who have been discharged from the Army are able-bodied and have been able to obtain civilian employment. They did not ask for, they did not request any mustering-out pay. The same is true of practically all of those who are now coming out of service with the sole exception of the disabled veterans and they will be definitely taken care of by legislation which this Congress has already enacted.

THE SPEAKER pro tempore. The time of the gentleman has expired.

MR. EBERHARTER. Mr. Speaker, I ask unanimous consent that the gentleman may be able to proceed for 3 additional minutes.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER].

There was no objection.

MR. HINSHAW. Will the gentleman yield?

MR. COSTELLO. I yield to the gentleman from California.

MR. HINSHAW. I am sure that the House of Representatives appreciates deeply the work of the gentleman's committee in this matter. I wonder if the gentleman and his committee have considered advising the War and Navy Departments not to release disabled veterans until they have been rated and their compensation arranged for?

MR. COSTELLO. I may say to the gentleman that we had representatives of the Veterans' Administration, the War and Navy Departments before the special committee yesterday morning. We went into that matter and we find that they are endeavoring to definitely work a program so that no disabled veterans will be discharged until they have actually been rated by the Veterans' Administration and definitely taken care of. Unfortunately, some have been let out of the service who were disabled but who were not in direct need of hospitalization. No hospitalized veteran has been discharged from the Army and sent home unless it was at his own request. There have been some cases where the soldier has insisted on being discharged and

being allowed to go home because perhaps the parents thought they could give him better treatment at home. Some of those have been discharged and sent home. Their papers may not have been processed by the Veterans' Administration. But within 30 or 40 days every one of these 80,000 or 85,000 disabled veterans, whose cases are pending, will have been rated by the Veterans' Administration and the difficulty will have been completely solved.

Mr. HINSHAW. It appears that the War and Navy Departments have been placing upon the retired list disabled officers. It seems to me that some time ago we passed a law to provide for disabled officers so that they would be treated in the same way disabled officers of the Regular service are treated. It does not seem, from the evidence that I have had presented, that that course is being pursued by the War Department now, but, on the other hand, these disabled officers are merely placed upon the inactive list of the Reserves instead of being properly compensated and taken care of.

Mr. COSTELLO. I am not familiar with definite facts regarding that particular situation.

Mr. HINSHAW. I hope the gentleman will take a careful look into that situation.

Mr. COSTELLO. I will be glad to do that.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. COSTELLO. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I can only judge by past performances and results. It is true that we have had this legislation for the disabled servicemen and women on the statute books for months, but the Veterans' Administration did not rate the cases properly. I have received word that they are not being rated within 30 days as stated by the gentleman from California after conference with General Hines. I am delighted the gentleman's committee is taking that up. I have been fighting and fighting and fighting for prompt adjudication and just rating of cases for months.

Mr. COSTELLO. I want the gentlewoman to understand. I did not state that the cases in the past had been rated in 30 days, but that current cases now pending will be rated within 30 or 40 days.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER pro tempore. I may say, that we have special orders following the gentleman from California.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that he may proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Out of the 635,000 men who have been honorably discharged from the service, only 27,000 cases have been given service connection. There are 60,000 cases that have been nonservice-connected. The Veterans' Administration did not ask for enough personnel promptly enough and the situation is inexcusable. I hope and trust that something constructive is being done at this time.

Mr. COSTELLO. I must disagree with the gentlewoman when she says it is inexcusable. The Veterans' Administration has endeavored to remedy the situation. A rating board consists of a doctor, a lawyer, and a third person. The great difficulty today in getting new rating boards is trying to find additional doctors. That is an almost impossible task. But they are endeavoring to solve that problem and they have set up 150 rating boards that are capable of handling 20 cases a day, so that within 30 to 40 days they will have handled the 80,000 to 85,000 cases now pending. They will be cleaned up. In the past it has taken 2, 3, 4, or 5 months. There has been some difficulty in getting all the necessary information, medical records, and so forth, but both the War and Navy Departments are cooperating with the Veterans' Administration and are trying to expedite the matter. I think they will definitely get it straightened out very shortly.

Mrs. ROGERS of Massachusetts. Up to now there have been practically no contact men in the hospitals and no rating boards.

Mr. COSTELLO. That is being remedied.

Mrs. ROGERS of Massachusetts. In the Veterans' Administration they are 300 doctors short. Nothing is being done to insure proper medical service. They should be militarized in order to have the necessary number. They are 700 nurses short, they are short in the insurance section and in other sections of the Veterans' Administration.

Mr. COSTELLO. The Veterans' Administration is aware of the fact they are short-handed and it has been trying to get additional personnel to take care of the difficulties but that is not easy to do at the present time.

Mrs. ROGERS of Massachusetts. Then it should have taken the matter up with other departments and the necessary personnel secured, because our primary duty and responsibility today is the veteran. I suggested to General Hines at a hearing before the World War Veterans' Committee weeks ago that the Veterans' Administration employ discharged service men and women. So far as I can ascertain—I have been going into hospitals for service men and women—I find while they are hospitalized their care is good. My contention is that where they are discharged they are not given their rights under the law. The administration of the legislation has failed. But, of course, no legislation for mustering-out pay has been passed and that is the responsibility of the Congress.

The SPEAKER pro tempore. The time of the gentleman has expired.

(Mr. COSTELLO asked and was given permission to revise and extend his own remarks in the RECORD.)

The SPEAKER pro tempore. Under previous special order the gentleman from Texas [Mr. SUMMERS] is recognized for 15 minutes.

INTERNAL SOLIDARITY

Mr. SUMMERS of Texas. Mr. Speaker, there is a matter I have felt for some time we ought to consider. We ought to take under serious consideration the increasing evidence of trends toward internal disintegration.

One great strike is threatened, and others are in the picture. Too much interdepartmental friction is apparent. There is considerable friction between administrative agencies and the people, friction between the legislative and executive branches of the Government.

As we approach the coming election, the strain upon internal solidarity in this country is going to increase. I do not mean that these things have grown to perilous proportions yet. I mean that, actually and potentially, the situation is sufficiently dangerous as to challenge the deepest, most apprehensive concern of everybody, and especially those in official responsibility, Members of the Congress, and those of the executive branch of the Federal Government. I believe I will add, more especially, the people. This is their Government. Their boys are fighting this war. They suffer first from lack of teamwork at home.

What is the cause of all this? Of course there is some politics, some taking advantage of the war to get individual and group advantage, to forward some notion of ideology, ambition, hunger for power. There are many things. But as the situation and causes diagnose out, if I may use that expression, it is clear that we do not actually fully realize we are engaged in the dangerous venture as one of the most important and most involved participants of a great global war, the most destructive of all time, and therefore we are without the unifying, solidifying, vitalizing one-purpose-giving realization of the transcendent perils of such a situation. There is nothing which unites and gets a people on the job like the realization of a common danger. We are robbing ourselves of the strength and oneness-of-purpose and national solidarity which is the natural contribution of the realization of a common danger. The conflicts in this country could not occur if we had an intelligent appreciation of the danger into which we have moved ourselves. We are all in the same boat. We confront this situation not as Democrats or Republicans, nor as management or labor.

I am somewhat embarrassed by this talk. I am not posing as an example or lecturing anybody. I do not think anybody in this House will charge me with being intensely partisan. This House is not partisan under the challenge of a great patriotic duty. I have never seen the time yet in this House when the country was imperiled that we had any dividing line that ran through the center of this House between the parties. I do not see how anybody can fail to be

conscious of the fact that weak spots, some definite changes are developing in the national solidarity which, unless arrested, could put this country in very great peril. Among other evidences of the truth of what I say we are confronted now with the prospect of two major strikes. Now I do not say that these people who may go on strike are primarily responsible. Let us leave that out. That is not the way to approach this thing. The purpose which I have in mind would be destroyed if we should try to fix responsibility upon any particular group. The fact is, it does not belong upon any particular group. Let each of us assume his share of responsibility and his share of duty. We want results. We must do justice all around. We must do justice to those at home. Above all we must do justice to our men who are fighting and dying now while we are secure behind the protection which they afford.

Now let us see what is the picture. Here is the country at war. It is a terrible, bloody, destructive war. Our boys are on nearly every battlefield of the world. We ought to know by now that we are not going to march in a sort of grand parade to a glorious victory, strutting our stuff across the pages of history as we once seemed to our great cost to believe, quickly eliminating Germany and wiping Japan off the map in a few weeks. It is a long, bloody road to Berlin, and probably a longer, bloodier road to Tokio. It will be a longer, bloodier road because, in the initial stages of this war, our swell-headed egotism made us incautious, and not unitedly, with a single purpose, on the job. Egotism breeds incaution and incaution invites disaster. We have not yet entirely gotten rid of incaution. If we had, we would not be taking the chances that we are taking. It would seem that we paid a high enough price at Pearl Harbor to cure us of taking chances. In one Sunday morning we lost domination in the Pacific. One incautious morning we lost the chance of a quick victory there.

Suppose in a small, isolated village, a fire broke out in the middle of the town, imperiling every single building in that village. The people would rush together. They would have but one business. They would be united by the realization of a common danger. The young men would go up on the roof where the fire was coming through and where the danger is. Some people would man the town pump and others form a bucket brigade. Everybody in that community has but one business at the time, and that is to put the fire out as quickly as possible and get the boys off the roof as quickly as possible.

Our boys are at the point of danger, of a greater danger. Our boys are on the roof. Some of them are falling through and being consumed by the flames. They had to go there. We put them there. They went gladly, bravely. They are fighting courageously. They are dying gloriously. They have got to have ammunition. The factories have got to operate, the mines have got to operate. The trains have got to move. What do you suppose the people of the village would think if somebody quit manning that pump and if those man-

ning the pump said, "Well, we are not going to pump any more water; nobody else shall pump any." The boys up on the roof and every house in the village are in peril. Suppose the ones who were carrying the water said, "We are not going to 'tote' any more water, we do not like something that is going on." They would not do it. That is a point I am trying to make. Human nature is the same. The explanation that the other fellow is meaner than I am will not stand up. Maybe he has too much power. Maybe he got it too quickly. Maybe at the time when he needed the statesman to apply the brake, the politician applied the accelerator because the politician could ride him into office. Too fast, maybe, and he ran away from the support of public opinion and brought in peril both his own and the public interest.

We have got to be fair about these things if we are to get the needed result. Whether intended or not maybe we have put a premium on strikes. The point I am trying to make is that we will get nowhere by denouncing the other fellow for being meaner than we are. It might not be so. We are all going to have to live with ourselves and with our neighbors on this proposition.

What sort of fix would the man who would not carry the water be in when he met the neighbors down the street and the neighbors said to him, "My boy did not come down off the roof that night because the water played out"? I want to emphasize the fact that it is the duty of the other people to see that there is a square deal as nearly as possible for the people at the pump and the people carrying the water. We shun responsibility if we fail to do that. These things which supply our fighting men must be kept going, not only for the sake of our boys, but for the sake of those in these industries. It is a matter of life and death to these boys and for their country that the flow of war material is not interrupted. The longer we protract this war the more of our boys will have to die. The longer the war goes on, the greater the danger that some new machine of destruction may be developed which will make largely obsolete other engines of war. The longer the war goes on, the greater the danger that a stalemate may develop, in which, while we may not be conquered, we will not be able to force our enemies to surrender.

I have been observing this so-called optimism all along. Going around here telling people we are bound to win, how many planes we are going to make, that we are going to do this, that, and the other thing, as though the war would await the conclusion of our program or depend upon its execution. That sort of psychology is all right for a war-tired people in danger of folding up, but not for a people just going into war. Our only sensible program is to do our level best concentrated on the one job. I have examined human reactions. Nothing on earth will get a people on the job as quickly and unitedly as the consciousness of a common danger. People do incredible things in such circumstances. The truth of the situation is this: All we have and all we can hope for is in danger.

People who have common sense, dealing with the most ordinary practical affairs of life, when they have as much involved relatively as we have in this war they do not go around acting as we are, prophesying how soon the war will end—in our favor, of course. Going back to the village fire, practical, common-sense people would say, "Let us put the fire out and get the boys down from that building as soon as possible." The blacksmith working in his shop would be making something with which to help fight the fire. The merchant would only be selling something to help fight the fire.

Our boys are dying in the jungles of the islands of the Pacific because we were asleep that fatal morning at Pearl Harbor, with no apparent realization of the danger that was naturally moving in our direction from what we were doing at that time, and the Japanese character well known to us. The people in France before the Germans struck the Maginot Line were divided, struggling for profit and social gains; they were going to pieces inside France before the Germans struck the Maginot Line, or they would never have broken that line. After that line was broken the men, women, and children of France worked until they dropped in their tracks, but it was too late.

Much of the war will not be won for the family whose boy does not come back home, regardless of the final ending.

I have a practical suggestion. We must establish a better cooperation between the House of Congress and the executive branch of the Government in the conducting of the war. This would not necessitate any surrender of independence. It would be the establishing of a more workable copartnership. This would not interfere with independence of individual judgment. It would necessitate no sacrifice in matters of principle or fundamental policy. It would not interfere with proper conduct in the selection of public officials. We would only have to keep in mind the one great dominant common job of everybody. People have got to settle this question. Public opinion has got much to do in the avoidance of these dividing and hindering things. There is a most definite limitation upon what can be done in our present situation by the mandate of legislative bodies.

The fact that we are having these interdepartmental feuds, at least that is the direction of the drift, conflicts between patriotic citizens and administrative agents of the Government, and these threatened suspensions on a large scale of activities essential to the prosecution of the war, warn us of a deep underlying danger of the first magnitude. The quicker we realize and face the facts, the more sensibly and safely we will be acting.

As we close for the Christmas recess we face a major strike which, if engaged in, will largely paralyze the productive energy of the Nation. I am not here just to hear myself talk. I am conscious of the fact that I am talking to the people who speak for my Nation at a time when my Nation itself and my Nation's boys are in peril. If we begin to have these strikes all over the country right now we will have on our hands the rich

Union Calendar No. 337

78th Congress, 1st Session

House Report No. 982

MUSTERING-OUT PAY

INTERIM REPORT

COMMITTEE ON MILITARY AFFAIRS

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH CONGRESS

FIRST SESSION

ON

H. R. 3742 and H. R. 3799

BILLS TO PROVIDE FOR PAYMENT OF MUSTERING-OUT
PAY TO MEMBERS OF THE ARMED FORCES,
AND FOR OTHER PURPOSES



DECEMBER 20, 1943.—Committed to the Committee of the Whole
House on the state of the Union and ordered to be printed

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Union Calendar No. 337

78TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. 982

MUSTERING-OUT PAY

DECEMBER 21, 1943.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. COSTELLO, from the Committee on Military Affairs, submitted the following

INTERIM REPORT

The committee has had under consideration H. R. 3799, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, and has conducted extensive hearings. There has been considered testimony, which is in the record, of representatives of ex-service organizations, officials of the War and Navy Departments and of the Veterans' Administration, and others. Important information of a restricted character has been received and considered in executive session. After careful deliberation it is the unanimous view of the committee that this interim report be made at this time in order that information considered vital may be available to anyone interested in the subject of benefits for veterans.

PROPOSED ADDITIONAL BENEFITS

In addition to H. R. 3799, there have been introduced and referred to this committee a number of bills intended to provide mustering-out pay of some form. The committee's attention has also been drawn to several bills which have been introduced and referred to other committees providing for adjusted compensation or bonus. Some of these bills include also the feature of mustering-out pay or separation pay. Further, notice has been taken of bills pending before other congressional committees involving proposals to extend social security and unemployment benefits at Federal expense to those employed in the active service during the present war; also of bills which would afford educational benefits to veterans of the present war. The several bills purporting to grant such benefits have not been integrated either with each other or with existing legislation granting benefits to veterans with a result that there would be overlapping and duplication

of benefits. While concededly all of these proposals have merit, it is the view of the committee that they should be considered in the light of the over-all cost, and particularly of benefits available to veterans under existing statutes.

The cost of these proposed additional benefits would run into rather staggering sums. Of the mustering-out pay bills pending before this committee, the lowest would cost a minimum of three and one-half billion dollars, while others would double and even quadruple that amount. The social security and unemployment proposals, it has been estimated, would cost probably four to six billion dollars, depending largely upon circumstances not now foreseeable, and the educational proposals could conceivably cost a similar additional amount. It will be seen that the three proposals—mustering-out pay, social security, and unemployment benefits, and education—would cost approximately the same as a straight adjusted compensation act and might cost considerably more. By adjusted compensation is meant an additional allowance based upon length of service to allow for differentials between service pay and civilian earnings. Calculated on the basis of \$1 per day for service in the United States and \$1.25 per day for overseas service, as in World War I, this, if the war service should average 3 years, would cost from ten to fifteen billions, dependent upon numbers in service. The estimated total of \$15,000,000,000 would be an amount of money payable at or within a few years after discharge to veterans of the present war, equal to the total cost of all benefits paid to or expended for veterans of World War I from October 6, 1917 to the present time. Specifically, these benefits afforded veterans of World War I up to September 30, 1943, totaled \$14,857,008,219.42.

BENEFITS PRESENTLY AVAILABLE TO VETERANS OF WORLD WAR II

The committee is convinced that there exists widespread misunderstanding as to what the Congress by statute has provided in the way of benefits for veterans of the present war. It is believed that if a full understanding were had in all quarters respecting these benefits, and particularly what is being done to insure that they will be provided as promptly as is humanly possible, much of the present agitation should disappear. These will be summarized in the order of their immediate importance to the veteran, and there will also be appended a more detailed report for the purpose of complete detailed information.

HOSPITALIZATION AND REHABILITATION

A person who is injured or who becomes ill in service is afforded the best of medical care and attention in the Army or Navy hospitals as the case may be. Upon his complete recovery, he is restored to active duty. If he cannot be so rehabilitated and requires extensive hospitalization, he is discharged directly to a Veterans' Administration facility for such hospitalization. If further hospitalization is not necessary, then he may be discharged to go home.

Hospitalization and domiciliary care are available to World War II veterans in Veterans' Administration facilities for service or non-

service-connected disabilities as hereinafter explained in more detail. The Veterans' Administration has 93 facilities throughout the States of the Union and plans now being completed or under way are expected to furnish adequate beds to meet the load of all veterans eligible under laws administered by the Veterans' Administration.

If, as a result of his disability, he has a vocational handicap to prevent him from returning to employment he is eligible to vocational training upon application to the Veterans' Administration, and upon completion of such training he is entitled to assistance in securing a position for which he has been trained.

Under State laws with Federal contribution, vocational training is afforded returning disabled veterans where disability is not due to service, and provision is made for training of handicapped civilians generally.

PENSION

For a service-incurred disability, pension may be payable in amounts varying from \$10 per month for 10 percent disability to \$100 per month for total disability, with additional allowances for specific injuries or losses to a maximum in some cases of \$250 per month. Cooperative arrangements have been undertaken by the Veterans' Administration, War and Navy Departments. The War and Navy Departments have authorized the Veterans' Administration to function at military and naval installations for the purpose of facilitating the processing of pension claims of military personnel discharged on a certificate of disability for discharge. Veterans' Administration personnel will be assigned to installations from which men are discharged in large numbers. Every effort will be made by the War and Navy Departments to see that all clinical and service records necessary are made available to the Veterans' Administration as promptly as possible. But where there is encountered any delay in securing records from overseas, a procedure is being established whereby ratings will be made for disabilities obviously due to service and with provision that a full adjudication of all disabilities will be had later when all the records in the individual case are available. It will have to be borne in mind that pension is not payable in advance, but that checks are mailed on the first of each month for the amount due for the preceding month or any part thereof.

INSURANCE

Every man who was in or who entered the active service on or after October 8, 1940, was, by law, afforded opportunity to secure not to exceed \$10,000 national service life insurance upon application without medical examination prior to the expiration of 120 days from entrance into active service. This insurance was provided by the Government at peacetime rates with no additional cost for the war-risk hazard or the cost of administration. The rates were, therefore, very low. Some 11,000,000 persons have availed themselves of this insurance, the policies averaging approximately \$9,000 per insured, or a total of over \$99,000,000,000 insurance. During service, premiums may be paid by allotments or deductions from pay, and after

separation from the service they may be continued by direct remittance to the Veterans' Administration. The insurance provides for waiver of premiums if the insured is totally disabled, and for maturity upon death, in which latter event payments are made to the designated beneficiaries monthly as annuity or for a definite number of installments. Arrangements heretofore made with respect to discharging disabled service persons directly to Administration hospitals and those being effected will insure that every person being discharged from the service for disability will have an opportunity to indicate his desire to maintain his insurance in full force and effect either by filing application for waiver of premiums if totally disabled, or by tender of the premiums as due.

Based upon World War I experience in connection with war risk term insurance, the premium charged covers only one-fifth of the risk.

REEMPLOYMENT

Under section 8 of the Selective Training and Service Act of 1940, as amended, employment rights are preserved for persons entering the military and naval forces of the United States who occupied permanent positions at the time of their entrance into the service. These provisions are administered through the Employment Division of Selective Service. If any private employer fails or refuses to restore the veteran to a former or similar position, the district court of the United States for the district in which the private employer maintains a place of business shall have the power to require such employer to comply with the provisions of the law and to compensate the veteran for loss of wages or benefits suffered by reason of such employer's unlawful action. The court is required by the act to order a speedy hearing in any such case and advance it on the calendar, and the United States district attorney is directed to appear and act as an attorney for the veteran. No fees or court costs shall be taxed against the veteran for finding such relief. In cooperation with the United States Employment Service, Veterans' Placement Service, local agents and veterans and civic organizations are in direct contact with the local selective service boards and the State unemployment agencies. The committee had interesting testimony to the effect that the State unemployment insurance funds are in excellent condition and have ample reserves to afford unemployment insurance under the State laws to those entitled thereto under such laws, but that very few discharged veterans have applied for unemployment benefits.

BURIALS

Expenses of burial and funeral and transportation of the body (including preparation of the body) to the place of burial in an amount not exceeding \$100 are authorized under laws administered by the Veterans' Administration for honorably discharged veterans. Those dying in service are afforded military funerals. If the burial be beyond the continental limits of the United States, determination will be made after the end of the war whether the body will be brought to the United

States for interment. In the case of burial of a person dying in service or an honorably discharged person, a flag to drape the coffin is supplied, and after burial is then given to the next of kin. Interment in Arlington or other national cemeteries is authorized for honorably discharged veterans and certain members of their families under certain conditions. Headstones will be furnished for graves of veterans who rendered honorable service, upon application to the Quartermaster General, United States Army, Washington, D. C. Burial flags may be issued by any county seat, post office, or field office of the Veterans' Administration on application by relatives or undertakers who desire to secure an American flag with which to drape the casket of an honorably discharged veteran of any war, and under recent act of Congress for memorial services for those dying in service overseas where no flag is supplied by the Army or Navy.

DEATH BENEFITS

Upon death in service, a veteran's dependent or designated next of kin is entitled to 6 months' pay death gratuity, and if death is due to service or to disability incurred in service, the widow, child, or children and dependent parent or parents of the deceased service person are entitled to pension benefits upon application to the Veterans' Administration. The rates and other details with respect to all of these benefits are contained in the detailed report appended hereto. Under existing law, the Federal departments and agencies are authorized to continue pay and allowances of officers, enlisted men, and employees missing, missing in action, interned in a neutral country, or captured by an enemy for reasonable periods, with administrative provision in regard thereto.

The benefits presently afforded under existing law administered by the Veterans' Administration alone will, it is anticipated, exceed \$1,000,000,000 for the fiscal year 1945, and depending upon circumstances not entirely foreseeable at the present moment, may, in the years immediately succeeding the close of the war, exceed, or even double, that amount. It is the considered view of the committee that the information herein contained, together with that in the appended detailed report on benefits presently afforded World War II veterans and their dependents, should be given consideration in connection with any legislation proposing additional benefits for veterans of the present war. It is with this object in mind that this preliminary report is made by the committee.

GENERAL COMMENT

Testimony considered by the committee indicated that of those separated from active service since Pearl Harbor a large number were so separated because they were over 38 years old and were returning to jobs, others were released to essential industry, a considerable percentage were released after short periods of service for disabilities becoming apparent after induction. Relatively, only a small number have been discharged for combat disabilities. Employment opportunities are readily available—often even to the most severely handi-

capped. The funds earmarked by the several States for unemployment and other benefits—including educational—for returning veterans are available in sufficient amounts. At least 36 of the States have enacted legislation to preserve the rights of servicemen and women to unemployment compensation benefits. Some of the States have provided, and others will or are prepared to provide monetary and educational benefits for returning veterans of World War II. In many instances States are deferring action because of congressional considerations, feeling that they should first ascertain the extent to which the Federal Government will legislate for the World War II group in fields heretofore left to the States. There was no evidence of any movements to coordinate Federal and State programs.

Views were expressed to the effect that while in a partial or general demobilization of armed forces and war industry the needs may be great, no need is now demonstrated other than perhaps for a reasonable amount of separation pay to bridge the gap between discharge and re-employment for those—the great majority—able to work; and for prompt award of benefits to those disabled. It seems impossible to anticipate post-war conditions.

The committee was advised of efforts under way for some time, and continuing to effect complete cooperation between, the War and Navy Departments and the Veterans' Administration to the end that the benefits authorized for the disabled may be promptly adjudicated and awarded. Arrangements were made months previously whereby those needing further extended hospitalization are discharged directly to veterans' hospitals where their claims are promptly adjusted. There has been delay in some cases, and there is an accumulated backlog of claims, but under expansion of facilities authorized by the Administrator of Veterans' Affairs this log should be cleared up in a reasonable period. This, however, is contingent upon availability of personnel—the Administrator testified he has vacancies for over four thousand at the present time, for which appropriated funds are already available. The Veterans' Administration should, in no manner, be hampered in the proper functioning of its facilities. The committee is definitely of the opinion that the classification of the Veterans' Administration in any but a comparable status to a war agency of the first order is unjustified and action by the Executive to insure such classification immediately is strongly urged by this committee, in order that they may be able to retain their present personnel as well as to obtain the necessary additional personnel required for the caring for disabled veterans.

No evidence was adduced of any shortage of hospital facilities. The neuropsychiatric hospitals of the Veterans' Administration are crowded, but additional facilities are in course of construction. There is a shortage of doctors and nurses in Veterans' Administration facilities, but efforts are in the making to ameliorate this situation. The War Department has agreed to detail up to 5,000 enlisted men for duty at Veterans' Administration facilities when civilian personnel cannot be obtained, and that fact is certified to by the United States Civil Service Commission and the War Manpower Commission. More than 1,150 enlisted personnel have been authorized at 14 facilities under this agreement.

The detailed report on benefits available to veterans of World War II follows:

BENEFITS PRESENTLY AFFORDED MEMBERS OF THE MILITARY FORCES OF THE UNITED STATES UNDER THE LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

1. Pensions (or, for Reserve officers and officers appointed in the Army of the United States, retirement pay).

2. Rehabilitation:

(A) Medical and hospital care, prosthetic appliances, and domiciliary care.

(B) Vocational rehabilitation.

3. Insurance:

(A) National service life insurance.

(B) Government life (converted) insurance.

(C) Guaranty of premiums, commercial insurance.

(For ready reference there is a chart following showing total expenditures and other data respecting these benefits for veterans and their dependents of World War No. 2, and comparable benefits for World War No. 1, from 1918 to September 30, 1943.)

Veterans' Administration—Disbursements made for relief of World War No. 2 veterans and dependents December 1941 to September 30, 1943

| | Disbursements | |
|---|----------------------------|----------------------------|
| | Total to Sept. 30, 1943 | During Sep- tember 1943 |
| Pensions: | | |
| Veterans: | | |
| Service-connected | \$4,877,105.22 | \$879,257.04 |
| Retired Reserve officers and enlisted men ¹ | 349,054.94 | 42,504.40 |
| Dependents | 6,234,856.96 | 882,443.96 |
| Total | 11,461,017.12 | 1,804,205.40 |
| National service life insurance: Cash payments made for death benefits disbursed from national service life insurance | 11,122,977.19 | 1,706,029.29 |
| Approximate cost of hospitalization and domiciliary care: World War No. 2 veterans | 5,142,043.76 | 840,947.90 |

¹ Retired Reserve officers included with Regular Establishment living veterans prior to fiscal year 1943.

World War No. 2 veterans hospitalized or domiciled

Admissions to hospitals or domiciliary care December 1941 through Oct. 31, 1943:

Type of patient and hospital:

| | |
|------------------|--------|
| Tuberculosis | 4,685 |
| Neuropsychiatric | 10,473 |
| General | 15,602 |

| | |
|-------------------------------|----------|
| Total | 1 30,760 |
| Domiciliary care October 1943 | 57 |

¹ Includes 151 domiciliary admissions prior to October 1943.

MUSTERING-OUT PAY

World War No. 2 veterans hospitalized or domiciled—Continued

Remaining under hospital or domiciliary care at end of October 1943:

| | |
|--------------------------------------|--------|
| Hospitalization: | |
| Tuberculosis | 1, 889 |
| Neuropsychiatric | 4, 290 |
| General | 2, 551 |
| Total | 8, 730 |
| Domiciliary care end of October 1943 | 95 |

Disbursements for relief of World War No. 1 veterans and dependents 1918 to Sept. 30, 1943

| | Total to Sept. 30, 1943 | During September 1943 |
|---|-------------------------|-----------------------|
| Direct benefits: | | |
| Compensation or pension: | | |
| Death: | | |
| Service-connected | \$841, 559, 870. 02 | \$4, 246, 436. 96 |
| Non-service-connected | 52, 642, 899. 19 | 941, 546. 68 |
| Disability: | | |
| Service-connected | 3, 592, 943, 710. 88 | 13, 520, 272. 09 |
| Emergency officers' retirement pay | 82, 779, 775. 95 | 354, 181. 61 |
| Disability allowance or nonservice pensions | 387, 068, 184. 99 | 3, 134, 503. 29 |
| Adjusted-service certificates | 3, 796, 207, 383. 34 | 61, 863. 02 |
| Adjusted-service and dependent pay | 55, 513, 391. 59 | 199. 40 |
| Loans to veterans for transportation | 76, 103. 36 | |
| Insurance: | | |
| Term | 2, 194, 926, 194. 23 | 794, 513. 80 |
| Government Life (converted) | 600, 369, 475. 99 | 3, 940, 849. 38 |
| Allotments and allowances | 582, 932, 979. 02 | 1 255. 17 |
| Vocational rehabilitation | 644, 871, 021. 46 | |
| Total expenditures for direct benefits | 12, 831, 890, 990. 02 | 26, 993, 812. 26 |
| Indirect benefits ¹ : | 2, 025, 117, 229. 40 | 9, 152, 272. 83 |
| Grand total | 14, 857, 008, 219. 42 | 36, 146, 085. 09 |

¹ Credit.

² Operating cost of central office, regional offices, and hospitals, burials, transportation of beneficiaries, hospital construction, etc.

I. PENSION, DISABILITY PENSION, DEATH PENSION, RETIREMENT PAY

Pensions are payable for disability or death incurred in or due to active military service, in line of duty and not the result of the person's own misconduct.

Disability pension is payable to any person honorably discharged and is based upon the degree of disablement ranging from 10 percent to 100 percent, with payments based thereon ranging from \$10 to \$100 per month. For specific losses, as the loss of a hand or a foot, blindness, etc., additional amounts are payable, the highest rate being \$250 per month.

Retirement pay: In lieu of such pension or compensation, Reserve officers called to active duty, and officers appointed in the Army of the United States, meeting the requirements of the Army Regulations pertaining to retirement of officers of the Regular Establishment are retired by the War Department, certified to the Veterans' Administration, and their retired pay equal to 75 percent of their base pay is paid by the Veterans' Administration out of the pension appropriation.

Death pension: The death-pension rates for widows and children were increased by Public Law No. 144, Seventy-eighth Congress,

July 13, 1943. These rates for death in service or service-connected death are as follows:

| | |
|---|------|
| Widow, no child----- | \$50 |
| Widow, 1 child----- | 65 |
| (With \$13 for each additional child.) | |
| No widow, but 1 child----- | 25 |
| No widow, but 2 children----- | 38 |
| (With \$10 for each additional child, the total not to exceed \$100.) | |
| Dependent father and mother: | |
| Each----- | 25 |
| Or 1 only----- | 45 |

Claims and effective date of awards: The effective date of an award of disability or death pension is generally the date the claim is received by the Veterans' Administration; but in the case of a disability claim filed within 1 year of discharge the pension may be awarded from discharge, and if a death claim is filed within 1 year from date of death, pension is payable from the date of death.

Except in cases of soldiers transferred by the Army to a Veterans' Administration facility, the applicant should file claim on proper form which will be supplied upon inquiry addressed to any Veterans' Administration facility or regional office, or to the local representative of the American Red Cross or of a veterans' service organization.

Claims of soldiers discharged for hospitalization: Under inter-agency agreement when a person who is to be discharged from military service is in need of further hospital care, prior arrangements are made by the commanding officer to afford him opportunity to file all necessary claims, supply necessary clinical and service data and to send the veteran to the Veterans' Administration facility designated to receive him. (Cf. A. R. 615-360, change No. 4, April 16, 1943.) If the disabled person is insane or incompetent, the manager of the Veterans' Administration facility will file all necessary claims for him.

Upon death in service, the service department notifies the Veterans' Administration, and claims forms are sent immediately to all known dependents.

Groups potentially eligible for pensions: All members of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Corps, members of the Public Health Service or of the Coast and Geodetic Survey when ordered to active service with the Army or Navy.

The Women's Army Auxiliary Corps was not in the active service; while the several Women's Reserve Corps of the Navy, Marine Corps, and the Coast Guard are in the active service, they were by statute precluded from pension eligibility; in lieu thereof, being subject to laws pertaining to employees' compensation. Legislation has been enacted recently making the Women's Reserve of the Navy and Marine Corps components eligible potentially for pension benefits (Public Law No. 183, 78th Cong., approved November 8, 1943). The Women's Reserve of the Coast Guard is still subject to laws pertaining to employees' compensation, but legislation is pending to correct this inequality.

Awards to date: As indicated by the chart on page 2, pension payments to veterans of World War No. 2, or their dependents, total \$11,461,017.12 to September 30, 1943.

II. REHABILITATION

Rehabilitation essentially consists in physical, and in some cases mental repair, plus, in the case of those with handicaps arising from service disability, vocational training.

(a) *Medical and hospital care, prosthetic appliances, and domiciliary care.*

1. Persons entitled to medical treatment, hospital treatment, prosthetic appliances, and domiciliary care: Any veteran of the present war, honorably discharged, having a service-connected disability requiring such care, treatment, or appliance, or one who was discharged for disability and not dishonorably. Also one not dishonorably discharged, who is unable to defray his expenses, has tuberculosis or a neuropsychiatric ailment or disability which requires hospital care.

2. Persons entitled to hospital or domiciliary care, contingent upon availability of facilities: Any veteran of the present war, not dishonorably discharged, suffering from disability, disease, or defect, and who is in need of such care and is unable to defray the expenses therefor—regardless of whether the disability, disease, or defect was due to service.

3. Service groups included: All components of the Army, Navy, Marine Corps, and the respective Women's Reserves thereof.

4. Facilities available: The Veterans' Administration maintains 93 facilities, and has contract facilities, with a total of 87,486 beds distributed as follows (as of December 2, 1943):

| | |
|------------------------------|--------|
| Tuberculosis | 5,700 |
| Neuropsychiatric | 38,617 |
| General medical and surgical | 22,797 |
| Domiciliary | 17,464 |
| Contract—other governmental | 2,533 |
| State and private | 375 |
| Total | 87,486 |

Diagnostic centers, with expert specialists available are maintained at: Hines, Chicago, Ill.; San Francisco, Calif., and Mount Alto, Washington, D. C. Cancer Clinics—Bronx, N. Y.; Hines, Chicago, Ill.; Mount Alto, Washington, D. C.; Atlanta, Ga.; Portland, Oreg., and Los Angeles, Calif.

The present building program will raise this total to more than 100,000 beds. The Veterans' Administration anticipates an eventual need of 300,000 beds to enable veterans of World War No. 2 and of prior wars to receive hospital and domiciliary care to the same extent as is now provided. However, this estimated maximum should not be needed until long after the war or require the eventual additional construction of more than 100,000 beds, since there will be, under present plans, 100,000 beds in Veterans' Administration facilities, and it is anticipated that it should be possible to obtain the same number from the Army and Navy shortly after the termination of the war.

5. Claims and numbers hospitalized: Any person who is to be discharged from active service and who is in need of and entitled to hospitalization by the Veterans' Administration is transferred directly to the Veterans' Administration facility designated to receive him. Claim for all benefits and necessary clinical and service data

accompany him or are filed by the manager if the veteran is insane or incompetent.

All others should file claim for treatment or hospitalization directly with the nearest Veterans' Administration facility or regional office—one or more in each State in the Union except Delaware.

As shown by the chart, 30,760 veterans of World War No. 2 have been hospitalized by the Veterans' Administration to October 31, 1943, and 8,730 remained in Veterans' Administration facilities as of October 31, 1943.

6. Domiciliary care: While domiciliary care cannot be said to be a part of the rehabilitation process, it is a valuable benefit for those who have reached a permanent state of disability and have no other means of support.

(b) *Vocational rehabilitation.*

1. Entitlement and scope of program: Public Law No. 16, Seventy-eighth Congress, approved by the President March 24, 1943, provides:

(1) That any person who served in the active military or naval service at any time after December 6, 1941, and prior to the termination of the present war;

(2) And who was honorably discharged;

(3) And who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration or would be but for the receipt of retirement pay; and

(4) Who is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement.

Immediately following the passage of that legislation there was created in the Veterans' Administration a Vocational Rehabilitation Service composed of three divisions, namely, the Vocational Advisement Division, the Training Into Employment Division, and the Research Division. The planning and control functions created by the administration of this act are exercised in the central office of the Veterans' Administration. All operations, including determinations of need for training, vocational advisement, induction into training, supervision, as well as the selection of training facilities, are functions of the Vocational Rehabilitation Division in that facility of the Veterans' Administration having jurisdiction of the territory in which the veteran resides. There are 53 such facilities. These facilities are, generally speaking, bound by State boundary lines. In a few States there is more than one facility. The course of training prescribed by the Administrator of Veterans' Affairs to fit the veteran for employment may not exceed 4 years and may not extend beyond 6 years after the termination of the present war.

"The purpose of rehabilitation is to restore employability lost by virtue of a handicap due to service-incurred disability." In performing the functions imposed upon this Administration by Public Law No. 16, it will be the purpose of the Veterans' Administration to utilize educational institutions and establishments of recognized standing in the training of these disabled veterans into employment and to train each person as near his home as may be possible. In

securing employment, a problem which obviously will be very great after the end of the war and perhaps acute after demobilization has been accomplished, every available Federal and State facility will be utilized. Employment of veterans has been satisfactorily accomplished through the United States Employment Service. It will be the purpose to correlate these activities to the end that those vocationally trained will be graduated into employment opportunities.

2. Monetary benefits while in training: While the disabled veteran is in training his pension, unless it equals or exceeds such amounts, will be increased to \$80 per month, if single; \$90 per month if married, with \$5 additional for each child, and \$10 for each dependent parent. All expenses of training, including necessary transportation, are paid. Medical care is given as required.

3. Service groups potentially entitled: All persons presently in the Army, Navy, Marine Corps, and Coast Guard, including the Women's Army Corps, are potentially entitled to this benefit. The Women's Reserve of the Navy and Marine Corps are included for this benefit since the approval of Public Law No. 183, Seventy-eighth Congress, approved November 8, 1943. There is legislation pending in the Congress which would include for entitlement the Women's Reserve of the Coast Guard, not now entitled because of the fact that they are not, under existing statutes, entitled to pension.

4. Applications and approval of training: The program has been initiated and applications for vocational rehabilitation are being received from those who have been discharged from the armed forces. It will be observed that entitlement is contingent upon an award of pension or retirement pay. Those persons discharged from the service directly to the Veterans' Administration facilities for hospitalization will have their claims filed and processed, and the question of need for and entitlement to vocational rehabilitation may be given consideration as soon as the individual's physical and mental condition make training feasible. Any other person honorably discharged from the service may make claims for vocational rehabilitation in the claim for pension, which may be filed at the nearest Veterans' Administration facility or regional office.

III. INSURANCE

(a) National service life insurance.

1. Persons eligible for insurance: Any man or woman in the active service of the Army, Navy, Marine Corps, Coast Guard, the Women's Army Reserve, and the Women's Reserve of the Navy, Marine Corps, or Coast Guard may apply for not less than \$1,000 and not more than \$10,000 national service life insurance without physical examination prior to the expiration of 120 days from entrance into active service. Thereafter any such person may apply if application be accompanied by acceptable evidence of good health.

2. Applications, payment of premiums, and issuance of policies: Application forms are supplied the service departments and may be obtained from the commanding officer or designated insurance officer. The applicant may elect to pay premiums in cash or by allotment of pay. Policies are not issued during the war, but insurance certificate is mailed to the address designated by applicant.

3. Coverage and types of policies: The insurance is against death only, but includes waiver of premiums during total disability existing for more than 6 months, and commencing prior to insured's sixtieth birthday. The policy is a 5-year level premium term policy with rate based upon the American Experience Table of Mortality and 3 percent interest—the Government assuming the extra hazard of the military and naval service and the administrative expense. The insurance is payable only to a widow (widower), child (including a stepchild or illegitimate child, if designated by the insured), parent (including person in loco parentis), brother and sister of the insured; and is payable only in monthly installments. The insured may change the beneficiary designation at any time.

4. Conversion: After the policy has been in effect for at least 1 year, while in force it may be converted to an ordinary life, 20-payment life, or 30-payment life policy upon application to the Veterans' Administration without medical examination.

5. Automatic (gratuitous) insurance: In cases where the person in service died or became totally disabled, or was captured or isolated by the enemy prior to April 20, 1942, and had less than \$5,000 insurance in effect, the law provides that gratuitous insurance to an aggregate of \$5,000 shall be deemed in effect. Claims for such gratuitous insurance should be filed as soon as possible because of limitations. In most of these death cases only a widow, child, or dependent parent can claim such insurance.

6. Number of policies, amount of insurance, and payments: As of October 30, 1943, over 12,306,342 applications had been received, representing a total amount of nearly \$82,557,524,500 of insurance. The average policy is approximately \$7,115; the average coverage per life approximately \$8,000.

The insurance is payable in the event of the death of the insured while the policy is in force to a beneficiary or beneficiaries which may be designated by the insured only within the relationship of widow or widower, child, parent, brother, or sister. The proceeds of the policy are payable as an annuity in 240 equal monthly installments of \$5.51 for each \$1,000 of insurance to any beneficiary who is under 30 years of age at the time of the death of the insured; otherwise, in continuous monthly installments throughout the lifetime of the beneficiary, with a guaranty of the payment of 120 monthly installments to the surviving relatives of the insured who are within the permitted class of beneficiaries. The amount of the monthly installment under the latter mode of payment is dependent upon the age of the beneficiary at date of death of insured.

For example, if the beneficiary is then 40 years old, monthly installment is \$4.50 for each \$1,000 of insurance; if 50, \$5.39; if 60, \$6.81; if 70, \$8.51.

The beneficiary would receive under a policy of \$5,000 or \$10,000, for example, monthly payments, beginning at the stated ages, in the following amounts: \$27.55-\$55.10; \$22.50-\$45; \$26.95-\$53.90; \$34.05-\$68.10; and \$42.55-\$85.10.

NOTE.—All claims for insurance benefits should be addressed to the Veterans' Administration, Washington, D. C., but necessary forms may be secured from the nearest Veterans' Administration facility.

(b) Government (converted) insurance.

This insurance can be applied for only by those who served in World War No. 1. No one may have more than \$10,000 national service life insurance and Government (converted) insurance combined.

(c) Insurance premiums guaranteed by Government under Soldiers' and Sailors' Relief Act, amendment of 1942.

Any person in the active service having a commercial life policy or policies meeting the requirements of said act, article IV, may, upon application to the Veterans' Administration on form supplied the Army and Navy, secure guaranty of premiums, on amount of insurance not in excess of \$10,000, while he is in the service during the present war. The insurance premiums so guaranteed by the Government constitute a lien against the policy and must be paid by the company out of any settlement thereof. In the event of the insured's discharge from service he has a period of 2 years within which to pay the premiums with interest so guaranteed or otherwise such indebtedness constitutes a loan on the policy with interest and if the amount of such indebtedness exceeds the cash surrender value, the policy is automatically canceled and the Government pays the insurer the difference between such cash-surrender value and the indebtedness. Forms for making application for such insurance protection are supplied to the War and Navy Departments and may be secured in person or from his commanding officer or other designated official.

As of September 30, 1943, 61,108 applications with insurance totaling \$148,343,247.70 have been approved and premiums guaranteed.

IV. GUARDIANSHIP

Supervision is maintained, in cooperation with the State courts, over payments of any benefits made on account of insane or minor beneficiaries to insure proper application of such benefits.

V. VETERANS' BENEFITS UNDER OTHER LAWS

Allotments and allowances—War and Navy Departments—Domiciliary care: United States Soldiers' Home, War Department; naval home, Navy Department. (This is in addition to that provided by the Veterans' Administration.)

Employment: Return to job after discharge, Selective Service; placing in other jobs, War Manpower Commission; veterans' preference, United States Civil Service Commission; job training, rehabilitation (nonservice disability), Federal Security.

(The Veterans' Administration cooperates fully in all these functions.)

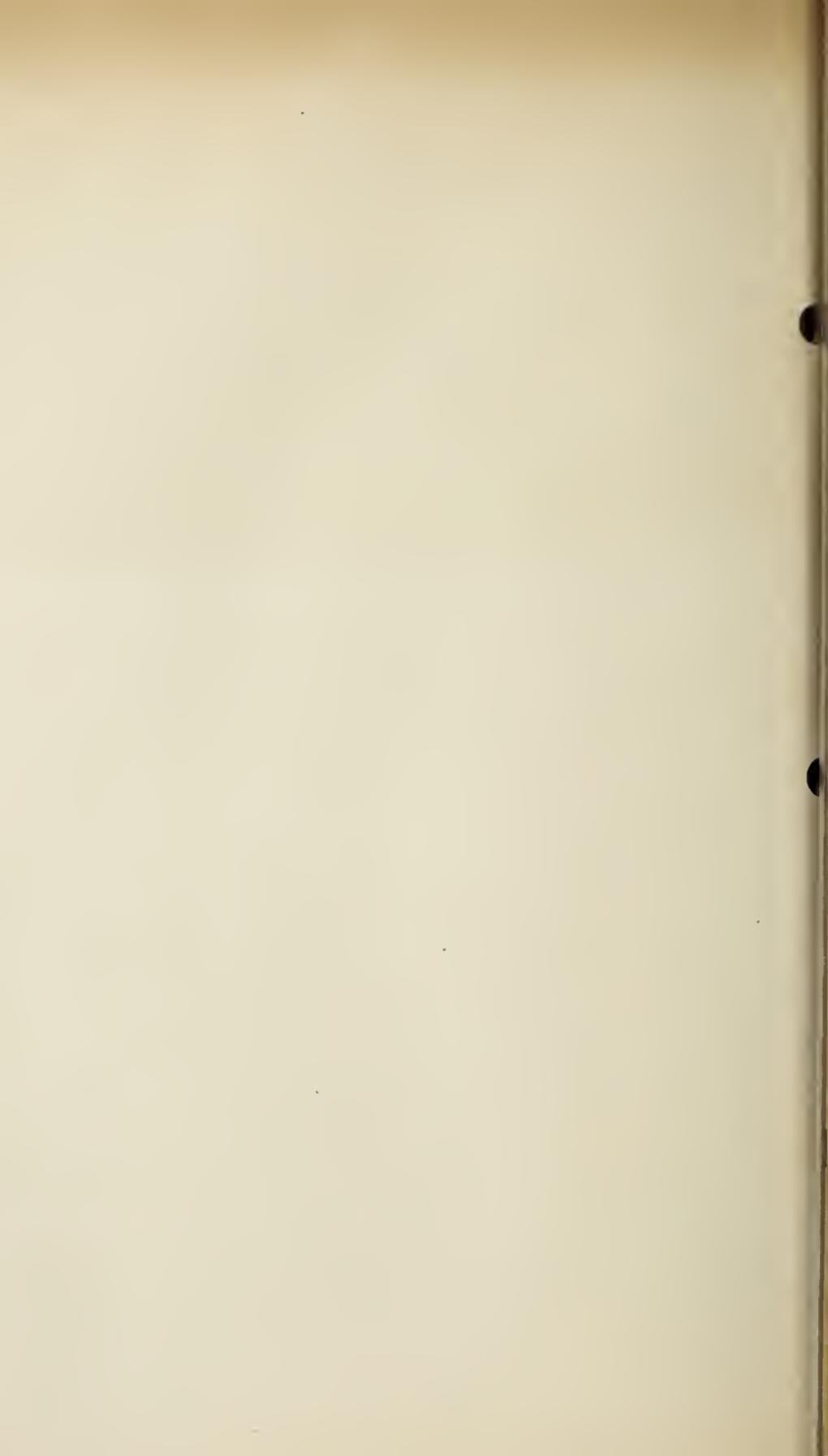
Insurance: Old age and survivors, Social Security; unemployment, Social Security; retirement, Railroad Retirement Board.

Retirement pay: Army, Navy, Marine Corps, and Coast Guard. (For officers and enlisted personnel of the Regular Establishment, and Reserve components of Navy, Marine Corps, and Coast Guard.)

Taxes: Bureau of Internal Revenue. (All veteran benefits under laws administered by the Veterans' Administration are exempt from all taxation.)

The foregoing outlines in brief form the benefits available to those serving during the present war and their dependents. Monetary benefits to veterans and dependents based upon wartime service-connected disabilities are the same for all wars and for those where disabilities resulted from service during peacetime which was extra-hazardous, including service under conditions simulating war. Rates of pension for service-connected disabilities incurred or aggravated in peacetime service are approximately 75 percent of wartime rates. Veterans of all wars are entitled to hospitalization and domiciliary care based upon service-connected or non-service-connected disabilities, and peacetime veterans if discharged for disability incurred in line of duty or if in receipt of pension for service-connected disability. Service pensions have been provided for veterans of the Spanish-American War, including the Boxer Rebellion and Philippine Insurrection, and their widows and children. Pension of \$40 monthly is afforded veterans of World War No. 1 who are permanently and totally disabled, subject to an income limitation. Compensation has been provided for widows and children of deceased veterans of World War No. 1 whose deaths were not service connected but who at time of death had a service-connected disability, subject to an income limitation. Yearly renewable term, automatic, and United States Government life insurance were made available for World War No. 1 veterans, and until the enactment of the National Service Life Insurance Act of October 8, 1940, United States Government life insurance was available to persons in the active service in peacetime. Since that date national service life insurance has been available during active service.









a. m. on Thursday, January 20, 1944, on H. R. 2701, H. R. 3012, H. R. 3446, and H. R. 3489.

COMMITTEE ON THE MERCHANT MARINES AND FISHERIES

(Thursday, February 3, 1944)

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 3, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended.

(Thursday, February 10, 1944)

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 10, 1944, at 10 a. m., on H. R. 2652, to amend section 222 (e) of subtitle "Insurance of Title II of the Merchant Marine Act, 1936," as amended.

EXECUTIVE COMMUNICATIONS, ETC.

1072. Under cause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report of an investigation by representatives of this office of contracts and other records of the United States Maritime Commission relating to the purchase by the Commission of 10 vessels from the Southern Pacific Co. under contract dated June 10, 1941, for \$4,733,952, was taken from the Speaker's table and referred to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. S. 1543. An act to provide for mustering-out payments to members of the armed forces, and for other purposes; with amendment (Rept. No. 986). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Georgia:

H. R. 3956. A bill to amend the Federal Reserve Act, as amended, to provide that the absorption of exchange and collection charges shall not be deemed the payment of interest on deposits; to the Committee on Banking and Currency.

By Mr. MANSFIELD of Montana:

H. R. 3957. A bill to provide for the education and training of members of the armed forces and the merchant marine after their discharge from service, and for other purposes; to the Committee on Education.

By Mr. VINSON of Georgia:

H. R. 3958. A bill to authorize the Secretary of the Navy to accept gifts and bequests for the United States Naval Academy, and for other purposes; to the Committee on Naval Affairs.

By Mr. McCORD:

H. R. 3959. A bill to amend the Defense Highway Act of 1941, as amended; to the Committee on Roads.

By Mr. DIMOND:

H. R. 3960. A bill to amend section 6 of an act of Congress entitled "An act for the pro-

tection of the fisheries of Alaska, and for other purposes," approved June 6, 1924; to the Committee on the Merchant Marine and Fisheries.

By Mr. MANSFIELD of Texas:

H. R. 3961. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SMITH of Virginia:

H. R. 3962. A bill to prohibit strikes and other interruptions of production during the present war; to the Committee on Labor.

By Mr. ELLIOTT:

H. R. 3963. A bill to amend the Emergency Price Control Act of 1942, as amended; to the Committee on Banking and Currency.

By Mr. GEARHART:

H. R. 3964. A bill to amend the Emergency Price Control Act of 1942, as amended; to the Committee on Banking and Currency.

By Mr. PHILLIPS:

H. R. 3965. A bill to amend the Emergency Price Control Act of 1942, as amended; to the Committee on Banking and Currency.

By Mr. BROOKS:

H. R. 3966. A bill to provide 4-H classifications for persons discharged under a medical certificate of disability, and for other purposes; to the Committee on Military Affairs.

By Mr. KNUTSON:

H. R. 3967. A bill granting the consent of Congress to the Minnesota Department of Highways and the county of Crow Wing, in Minnesota, to construct, maintain, and operate a free highway bridge across the Mississippi River at Mill Street in Brainerd, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. GATHINGS:

H. J. Res. 221. Joint resolution to insure the complete fulfillment of commitments made to producers who have expanded production of nonbasic agricultural commodities; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARENDTS:

H. R. 3968. A bill for the relief of Artie D. Lakin; to the Committee on Military Affairs.

By Mr. FLANNAGAN:

H. R. 3969. A bill for the relief of Mrs. Edward B. Formanek; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4268. By Mr. BROWN of Ohio: Petition of 53 residents of Madison County, Ohio, urging the passage of Senate bill 860 and House bill 2082; to the Committee on the Judiciary.

4269. Also, petition of 60 residents of Clark County, Ohio, urging the passage of House bill 2082; to the Committee on the Judiciary.

4270. By Mr. CUNNINGHAM: Petition of 545 citizens of Iowa, urging support of House bill 2082; to the Committee of the Judiciary.

4271. By Mr. DOUGLAS: Petition of approximately 5,000 citizens of the Thirty-third Congressional District of New York State, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4272. By Mr. FELLOWS: Petition of William T. Maybury, of Bangor, Maine, and 389 others, opposing the Bryson bill; to the Committee on the Judiciary.

4273. By Mr. FISH: Petition of 100 residents of Carmel, East Fishkill, and Peekskill, N. Y., opposing any legislation or restrictions which may be proposed that may bring about partial or national prohibition; to the Committee on the Judiciary.

4274. Also, petition of 120 residents in my district from Newburgh, Poughkeepsie, Wappingers Falls, Beacon, and Milton, N. Y., opposing any legislation or restrictions which may be proposed that may bring about partial or national prohibition; to the Committee on the Judiciary.

4275. By Mr. HANCOCK: Resolution of the Technology Club of Syracuse, N. Y., with a membership of 950, E. P. Crowell, president, opposing Senate bill 702; to the Committee on Military Affairs.

4276. By Mr. HEIDINGER: Communications from Martin C. Wittke, Laurence Korte, C. S. Adkins, Walter E. Dyer, Shennan Sommer, all of Metropolis, and F. E. Geltnar, of Brockport, representative citizens of Massac County, Ill., opposing subsidies as being economically unsound; to the Committee on Appropriations.

4277. By Mr. HOEVEN: Petition of sundry citizens of LeMars, Iowa, urging support of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of mobilization; to the Committee on the Judiciary.

4278. By Mr. KEARNEY: Petition of Henry S. Amos and 20 other citizens of Gloversville, N. Y., urging the passage of House bill 2082; to the Committee on the Judiciary.

4279. Also, petition of Jay Collins and 38 other citizens of Fulton County, N. Y., urging the passage of House bill 2082; to the Committee on the Judiciary.

4280. Also, petition of George M. Pulver, of Schenectady, N. Y., and 52 other citizens of New York State, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4281. By Mr. LECOMPTE: Petition of Mrs. A. C. Axmean and other citizens of Keokuk County, Iowa, in the interest of the Bryson bill, H. R. 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States; to the Committee on the Judiciary.

4282. By Mr. LEWIS: Petition of F. B. Gilhouse and 34 other residents of Barnesville, Ohio, and vicinity, asking for passage of Senate bill 860; to the Committee on the Judiciary.

4283. By Mr. REED of Illinois: Petition of Fred C. Casper, of Elmhurst, and 230 other citizens of Illinois, protesting against enactment of prohibition legislation; to the Committee on the Judiciary.

4284. By Mr. ROHRBOUGH: Petition of C. M. Garrett and 11 other citizens of Lewis County, W. Va., advocating stoppage of sale of beer in military camps, the suspension of manufacture, sale, transportation, importation, and exportation of beverage alcohol for the duration of the war, passage of the Bryson bill (H. R. 2082), etc.; to the Committee on the Judiciary.

4285. Also, petition of Mrs. A. R. Wolfe and 20 other citizens of Grantsville, W. Va., requesting passage of the Bryson bill (H. R. 2082) providing for wartime prohibition; to the Committee on the Judiciary.

4286. By Mrs. SMITH of Maine: Petition of James G. Lagorio and other citizens of Pittsfield, Maine, protesting against consideration

by Congress of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

4287. Also, petition of Joseph G. Pepin, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4288. Also, petition of Remi Labbe, of Hallowell, Maine, and other citizens, protesting

against consideration by Congress of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

4289. Also, petition of Hector A. Lerette, of Hallowell, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

4290. Also, petition of Lewis N. Kesairs, of Hallowell, Maine, and other citizens, pro-

testing against consideration by Congress of the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

4291. By Mr. WILLEY: Petition of sundry citizens of the State of Delaware, asking for the enactment of House bill 2082; to the Committee on the Judiciary.

4292. By Mr. WEISS: Petition concerning the soldiers' vote bill; to the Committee on Election of President, Vice President, and Representatives in Congress.

MUSTERING-OUT PAYMENT ACT OF 1944

JANUARY 13, 1944.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. MAY, from the Committee on Military Affairs, submitted the following

REPORT

[To accompany S. 1543]

The Committee on Military Affairs, to whom was referred the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The committee amendment strikes out all of the Senate bill and inserts in lieu thereof a substitute which appears in the reported bill in italic type.

On November 23, 1943, Franklin D. Roosevelt, President of the United States, sent a message to the Congress requesting post-war benefits for members of the armed forces. Those portions of the message which are pertinent to mustering-out payments for members of the armed forces are set forth below:

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

To the Congress of the United States:

All of us are concentrating now on the one primary objective of winning this war. But even as we devote our energy and resources to that purpose, we cannot neglect to plan for things to come after victory is won.

The problem of reconverting wartime America to a peacetime basis is one for which we are now laying plans to be submitted to the Congress for action. As I said last July:

"The returning soldier and sailor and marine are a part of the problem of demobilizing the rest of the millions of Americans who have been working and living in a war economy since 1941. * * * But the members of the armed forces have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems."

At that time I outlined what seemed to me to be a minimum of action to which the members of our armed forces are entitled over and above that taken for other citizens.

What our service men and women want, more than anything else, is the assurance of satisfactory employment upon their return to civil life. The first task after the war is to provide employment for them and for our demobilized war workers.

We must make provision now to help our returning service men and women bridge the gap from war to peace activity. When the war is over our men and women in the armed forces will be eager to rejoin their families, get a job, or continue their education, and to pick up the threads of their former lives. They will return at a time when industry will be in the throes of reconversion. Our plans for demobilization of soldiers and sailors must be consistent with our plans for the reconversion of industry and for the creation of employment opportunities for both servicemen and war workers. Already the armed forces have returned many thousands of service men and women to civil life.

The following further steps seem desirable now:

(1) To help service men and women tide over the difficult period of readjustment from military to civilian life, mustering-out pay will be needed. It will relieve them of anxiety while they seek private employment or make their personal plans for the future. I, therefore, recommend to the Congress that it enact legislation and provide funds for the payment of a uniform, reasonable mustering-out pay to all members of the armed forces upon their honorable discharge or transfer to inactive duty. This pay should not be in a lump sum but on a monthly installment basis.

COMMITTEE HEARINGS

Representatives of the Disabled American Veterans, the Veterans of Foreign Wars of the United States, the Veterans' Administration, the War Department, and the Navy Department appeared before the committee and testified in support of the enactment of legislation to provide mustering-out payment to members of the armed forces so that they may be assisted in the difficult period of readjustment from military to civilian life.

FACTUAL BACKGROUND

Shortly before the Christmas holiday recess of the Congress, there was referred to the Committee on Military Affairs, H. R. 3742 and H. R. 3799, introduced by the chairman of the committee at the request of the War Department on the subject of mustering-out pay. At the same time Senate 1543 was pending in the Senate and was passed on the very eve of the adjournment of Congress and sent to the House and referred to the House Military Affairs Committee. In the meantime, this committee had conducted rather extensive hearings on H. R. 3742 and H. R. 3799, but was not afforded an opportunity to take up for consideration prior to the recess of the Congress, the Senate bill. After the recess it was deemed by the committee as proper procedure to take up and consider the Senate bill which had just passed the Senate. In the meantime certain sections of the public press and certain minority groups in the country started a campaign of agitation on a Nation-wide scale and picked up a few hardship cases of veterans who had been discharged for combat disabilities, in an effort to push the matter through to speedy enactment without what the committee believed was adequate and proper consideration. In order that the public might have proper information, the committee felt impelled to and did file an interim report, being House Report No. 982, filed and printed as a House report on December 20, 1943. In that

report the committee made the following statements which are included in and made a part of this report:

The committee has had under consideration H. R. 3799, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, and has conducted extensive hearings. There has been considered testimony, which is in the record, of representatives of ex-service organizations, officials of the War and Navy Departments and of the Veterans' Administration, and others. Important information of a restricted character has been received and considered in executive session. After careful deliberation it is the unanimous view of the committee that this interim report be made at this time in order that information considered vital may be available to anyone interested in the subject of benefits for veterans.

PROPOSED ADDITIONAL BENEFITS

In addition to H. R. 3799, there have been introduced and referred to this committee a number of bills intended to provide mustering-out pay of some form. The committee's attention has also been drawn to several bills which have been introduced and referred to other committees providing for adjusted compensation or bonus. Some of these bills include also the feature of mustering-out pay or separation pay. Further, notice has been taken of bills pending before other congressional committees involving proposals to extend social security and unemployment benefits at Federal expense to those employed in the active service during the present war; also of bills which would afford educational benefits to veterans of the present war. The several bills purporting to grant such benefits have not been integrated either with each other or with existing legislation granting benefits to veterans with a result that there would be overlapping and duplication of benefits. While concededly all of these proposals have merit, it is the view of the committee that they should be considered in the light of the over-all cost, and particularly of benefits available to veterans under existing statutes.

The cost of these proposed additional benefits would run into rather staggering sums. Of the mustering-out pay bills pending before this committee, the lowest would cost a minimum of three and one-half billion dollars, while others would double and even quadruple that amount. The social security and unemployment proposals, it has been estimated, would cost probably four to six billion dollars, depending largely upon circumstances not now foreseeable, and the educational proposals could conceivably cost a similar additional amount. It will be seen that the three proposals—mustering-out pay, social security and unemployment benefits, and education—would cost approximately the same as a straight adjusted compensation act and might cost considerably more. By adjusted compensation is meant an additional allowance based upon length of service to allow for differentials between service pay and civilian earnings. Calculated on the basis of \$1 per day for service in the United States and \$1.25 per day for overseas service, as in World War I, this, if the war service should average 3 years, would cost from ten to fifteen billions, dependent upon numbers in service. The estimated total of \$15,000,000,000 would be an amount of money payable at or within a

few years after discharge to veterans of the present war, equal to the total cost of all benefits paid to or expended for veterans of World War I from October 6, 1917 to the present time. Specifically, these benefits afforded veterans of World War I up to September 30, 1943, totaled \$14,857,008,319.42.

BENEFITS PRESENTLY AVAILABLE TO VETERANS OF WORLD WAR II

The committee is convinced that there exists widespread misunderstanding as to what the Congress by statute has provided in the way of benefits for veterans of the present war. It is believed that if a full understanding were had in all quarters respecting these benefits, and particularly what is being done to insure that they will be provided as promptly as is humanly possible, much of the present agitation should disappear. These will be summarized in the order of their immediate importance to the veteran, and there will also be appended a more detailed report for the purpose of complete detailed information.

HOSPITALIZATION AND REHABILITATION

A person who is injured or who becomes ill in service is afforded the best of medical care and attention in the Army or Navy hospitals as the case may be. Upon his complete recovery, he is restored to active duty. If he cannot be so rehabilitated and requires extensive hospitalization, he is discharged directly to a Veterans' Administration facility for such hospitalization. If further hospitalization is not necessary, then he may be discharged to go home.

Hospitalization and domiciliary care are available to World War II veterans in Veterans' Administration facilities for service or non-service-connected disabilities as hereinafter explained in more detail. The Veterans' Administration has 93 facilities throughout the States of the Union and plans now being completed or under way are expected to furnish adequate beds to meet the load of all veterans eligible under laws administered by the Veterans' Administration.

If, as a result of his disability, he has a vocational handicap to prevent him from returning to employment he is eligible to vocational training upon application to the Veterans' Administration, and upon completion of such training he is entitled to assistance in securing a position for which he has been trained.

Under State laws with Federal contribution, vocational training is afforded returning disabled veterans where disability is not due to service, and provision is made for training of handicapped civilians generally.

PENSION

For a service-incurred disability, pension may be payable in amounts varying from \$10 per month for 10 percent disability to \$100 per month for total disability, with additional allowances for specific injuries or losses to a maximum in some cases of \$250 per month. Cooperative arrangements have been undertaken by the Veterans' Administration, War and Navy Departments. The War and Navy Departments have authorized the Veterans' Administration to function at military and naval installations for the purpose of facilitating the processing of pension claims of military personnel discharged on a

certificate of disability for discharge. Veterans' Administration personnel will be assigned to installations from which men are discharged in large numbers. Every effort will be made by the War and Navy Departments to see that all clinical and service records necessary are made available to the Veterans' Administration as promptly as possible. But where there is encountered any delay in securing records from overseas, a procedure is being established whereby ratings will be made for disabilities obviously due to service and with provision that a full adjudication of all disabilities will be had later when all the records in the individual case are available. It will have to be borne in mind that pension is not payable in advance, but that checks are mailed on the first of each month for the amount due for the preceding month or any part thereof.

INSURANCE

Every man who was in or who entered the active service on or after October 8, 1940, was, by law, afforded opportunity to secure not to exceed \$10,000 national service life insurance upon application without medical examination prior to the expiration of 120 days from entrance into active service. This insurance was provided by the Government at peacetime rates with no additional cost for the war-risk hazard or the cost of administration. The rates were, therefore, very low. Some 11,000,000 persons have availed themselves of this insurance, the policies averaging approximately \$9,000 per insured, or a total of over \$99,000,000,000 insurance. During service, premiums may be paid by allotments or deductions from pay, and after separation from the service they may be continued by direct remittance to the Veterans' Administration. The insurance provides for waiver of premiums if the insured is totally disabled, and for maturity upon death, in which latter event payments are made to the designated beneficiaries monthly as annuity or for a definite number of installments. Arrangements heretofore made with respect to discharging disabled service persons directly to Administration hospitals and those being effected will insure that every person being discharged from the service for disability will have an opportunity to indicate his desire to maintain his insurance in full force and effect either by filing application for waiver of premiums if totally disabled, or by tender of the premiums as due.

Based upon World War I experience in connection with war risk term insurance, the premium charged covers only one-fifth of the risk.

REEMPLOYMENT

Under section 8 of the Selective Training and Service Act of 1940, as amended, employment rights are preserved for persons entering the military and naval forces of the United States who occupied permanent positions at the time of their entrance into the service. These provisions are administered through the Employment Division of Selective Service. If any private employer fails or refuses to restore the veteran to a former or similar position, the district court of the United States for the district in which the private employer maintains a place of business shall have the power to require such employer to comply

with the provisions of the law and to compensate the veteran for loss of wages or benefits suffered by reason of such employer's unlawful action. The court is required by the act to order a speedy hearing in any such case and advance it on the calendar, and the United States district attorney is directed to appear and act as an attorney for the veteran. No fees or court costs shall be taxed against the veteran for finding such relief. In cooperation with the United States Employment Service, Veterans' Placement Service, local agents and veterans and civic organizations are in direct contact with the local selective service boards and the State unemployment agencies. The committee had interesting testimony to the effect that the State unemployment insurance funds are in excellent condition and have ample reserves to afford unemployment insurance under the State laws to those entitled thereto under such laws, but that very few discharged veterans have applied for unemployment benefits.

BURIALS

Expenses of burial and funeral and transportation of the body (including preparation of the body) to the place of burial in an amount not exceeding \$100 are authorized under laws administered by the Veterans' Administration for honorably discharged veterans. Those dying in service are afforded military funerals. If the burial be beyond the continental limits of the United States, determination will be made after the end of the war whether the body will be brought to the United States for interment. In the case of burial of a person dying in service or an honorably discharged person, a flag to drape the coffin is supplied, and after burial is then given to the next of kin. Interment in Arlington or other national cemeteries is authorized for honorably discharged veterans and certain members of their families under certain conditions. Headstones will be furnished for graves of veterans who rendered honorable service, upon application to the Quartermaster General, United States Army, Washington, D. C. Burial flags may be issued by any county seat, post office, or field office of the Veterans' Administration on application by relatives or undertakers who desire to secure an American flag with which to drape the casket of an honorably discharged veteran of any war, and under recent act of Congress for memorial services for those dying in service overseas where no flag is supplied by the Army or Navy.

DEATH BENEFITS

Upon death in service, a veteran's dependent or designated next of kin is entitled to 6 months' pay death gratuity, and if death is due to service or to disability incurred in service, the widow, child, or children and dependent parent or parents of the deceased service person are entitled to pension benefits upon application to the Veterans' Administration. The rates and other details with respect to all of these benefits are contained in the detailed report appended hereto. Under existing law, the Federal departments and agencies are authorized to continue pay and allowances of officers, enlisted men, and employees missing, missing in action, interned in a neutral country, or captured by an enemy for reasonable periods, with administrative provision in regard thereto.

The benefits presently afforded under existing law administered by the Veterans' Administration alone will, it is anticipated, exceed \$1,000,000,000 for the fiscal year 1945, and depending upon circumstances not entirely foreseeable at the present moment, may, in the years immediately succeeding the close of the war, exceed, or even double, that amount. It is the considered view of the committee that the information herein contained, together with that in the appended detailed report on benefits presently afforded World War II veterans and their dependents, should be given consideration in connection with any legislation proposing additional benefits for veterans of the present war. It is with this object in mind that this preliminary report is made by the committee.

GENERAL COMMENT

Testimony considered by the committee indicated that of those separated from active service since Pearl Harbor a large number were so separated because they were over 38 years old and were returning to jobs, others were released to essential industry, a considerable percentage were released after short periods of service for disabilities becoming apparent after induction. Relatively, only a small number have been discharged for combat disabilities. Employment opportunities are readily available—often even to the most severely handicapped. The funds earmarked by the several States for unemployment and other benefits—including educational—for returning veterans are available in sufficient amounts. At least 36 of the States have enacted legislation to preserve the rights of service men and women to unemployment compensation benefits. Some of the States have provided, and others will or are prepared to provide monetary and educational benefits for returning veterans of World War II. In many instances States are deferring action because of congressional considerations, feeling that they should first ascertain the extent to which the Federal Government will legislate for the World War II group in fields heretofore left to the States. There was no evidence of any movements to coordinate Federal and State programs.

Views were expressed to the effect that while in a partial or general demobilization of armed forces and war industry the needs may be great, no need is now demonstrated other than perhaps for a reasonable amount of separation pay to bridge the gap between discharge and re-employment for those—the great majority—able to work; and for prompt award of benefits to those disabled. It seems impossible to anticipate post-war conditions.

The committee was advised of efforts under way for some time, and continuing to effect complete cooperation between the War and Navy Departments and the Veterans' Administration to the end that the benefits authorized for the disabled may be promptly adjudicated and awarded. Arrangements were made months previously whereby those needing further extended hospitalization are discharged directly to veterans' hospitals where their claims are promptly adjusted. There has been delay in some cases, and there is an accumulated backlog of claims, but under expansion of facilities authorized by the Administrator of Veterans' Affairs this log should be cleared up in a reasonable period. This, however, is contingent upon availability of personnel—the Administrator testified he has vacancies for over 4,000 at the

present time, for which appropriated funds are already available. The Veterans' Administration should, in no manner, be hampered in the proper functioning of its facilities. The committee is definitely of the opinion that the classification of the Veterans' Administration in any but a comparable status to a war agency of the first order is unjustified and action by the Executive to insure such classification immediately is strongly urged by this committee, in order that they may be able to retain their present personnel as well as to obtain the necessary additional personnel required for the caring for disabled veterans.

No evidence was adduced of any shortage of hospital facilities. The neuropsychiatric hospitals of the Veterans' Administration are crowded, but additional facilities are in course of construction. There is a shortage of doctors and nurses in Veterans' Administration facilities, but efforts are in the making to ameliorate this situation. The War Department has agreed to detail up to 5,000 enlisted men for duty at Veterans' Administration facilities when civilian personnel cannot be obtained, and that fact is certified to by the United States Civil Service Commission and the War Manpower Commission. More than 1,150 enlisted personnel have been authorized at 14 facilities under this agreement.

EXPLANATION OF THE COMMITTEE SUBSTITUTE BY SECTIONS

Section 1 (a) provides that, with certain exceptions set forth in section 1 (b), each member of the armed forces who shall have been engaged in active service in the present war and who is discharged or relieved from such service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

Section 1 (b) provides that no mustering-out payment shall be made to—

(1) Any member of the armed forces who, at the time of discharge or relief from active service is receiving base pay at a higher rate than the base pay of the third period as provided by the Pay Readjustment Act of 1942;

(2) Any member of the armed forces who is entitled to receive retirement pay following his discharge or relief from active service;

(3) Any member of the armed forces who has not performed service outside the continental limits of the United States or in Alaska who has been discharged or relieved from active service to accept employment. The language of this paragraph precludes receipt of mustering-out payment for any period of active service performed preceding the date of discharge or relief from active service to accept employment, but at the same time permits receipt of mustering-out payment in the case of any person for any period of active service performed subsequent to the date of his discharge or relief from active service to accept employment;

(4) Any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended, of the act of June 16, 1936;

(5) Any member of the armed forces who has served only under the Army specialized-training program, the Army Air Forces college-training program, or similar program under the jurisdiction of the Navy, Marine Corps, or the Coast Guard. The language "similar program under the jurisdiction of the Navy, Marine Corps, or Coast

Guard" includes the Navy V-12 program or the Navy V-5 program;

(6) Any member of the armed forces for any period of active service performed prior to the date of his discharge for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(7) Any member of the armed forces who has served only as a cadet or midshipman at the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of such academies; and

(8) Any commissioned officer who is not discharged or relieved from active service within 3 years after the termination of the present war.

Section 2 (a) provides for mustering-out payment as follows:

(1) For service of 60 days or more, \$300;

(2) For service of less than 60 days, \$100.

Section 2 (b) provides that one-third of the amount payable under section 2 (a) (1) shall be paid at the time of final discharge or ultimate relief from active service, and the remaining amount shall be paid in two equal installments—1 month and 2 months, respectively, from the date of the original payment. Section 2 (b) also provides that the amount payable under section 2 (a) (2) shall be paid in a lump sum at the time of such discharge or relief from active service.

Section 3 provides that any member of the armed forces entitled to mustering-out payment who has been discharged or relieved from active service under honorable conditions before the effective date of the act shall receive such payment beginning within 1 month after application has been received and approved by the War or Navy Department, as the case may be. Section 3 further provides that no member of the armed forces shall receive more than one mustering-out payment and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service. This provision would permit payment on discharge only where the purpose of such discharge is to return the individual to civilian life, and also would permit payment on relief from active service only where it is contemplated that such relief is for the duration of the present war.

Section 4 provides that no mustering-out payment shall be made to any person except the veteran or the duly appointed guardian for the veteran, and specifically provides that no such payment shall be made to the estate of any deceased veteran.

Section 5 (a) provides that payments under the act shall not be assignable, shall be exempt from taxation and from claims of creditors, including claims of the United States, and shall not be subject to attachment, levy, or seizure.

Section 5 (b) provides that the Secretary of War and the Secretary of the Navy shall make such regulations as may be necessary to carry out the provisions of the act, and that the decisions of such Secretaries shall be final and not subject to review by any court or any other Government official.

Section 6 defines the term "member of the armed forces" to mean any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

Section 7 provides that appropriations for the Army and Navy shall be available for the payments provided by the act and for necessary administrative expenses. Section 7 also contains an authorization for the appropriation of such additional sums as may be necessary to effectuate the purposes of the act. Expenditures under the act shall be included in the annual reports of the War and Navy Departments to the Congress.

Section 8 provides a short title for the act.

DIFFERENCES BETWEEN S. 1543 AND THE COMMITTEE SUBSTITUTE

There are numerous differences between the bill proposed by the Senate, S. 1543, and the substitute therefor reported by your committee, the more important of which are as follows:

The benefits of the Senate bill are extended to any member of the armed forces who holds a rank up to and including that of colonel in the Army, or of any equivalent rank in any of the other branches of the armed service. The committee substitute includes only those members of the armed forces who do not receive base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942. The base pay of this period is \$2,400, and is paid to no person with a rank above that of captain in the Army, or of any equivalent rank in any other branch of the armed service.

The committee substitute prohibits the receipt of mustering-out payment by certain classes of members of the armed forces in addition to those included in the Senate bill. These classes are as follows: Air Corps Reserve officers, students detailed for special training under various programs under the jurisdiction of the Army, Navy, Marine Corps, and Coast Guard, members of the armed forces discharged for the purpose of entering the United States Military, Naval, and Coast Guard Academies, any person whose sole service has been as a cadet or midshipman at one of the above academies or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of such academies, and commissioned officers who are not discharged or relieved from active service within 3 years after the end of the war.

Mustering-out payments in the Senate bill are based on character of service, i. e., whether the service was performed overseas or in Alaska, or whether it was performed in the continental limits of the United States. There is no such distinction in the committee substitute.

The amount of mustering-out payments which persons are eligible to receive under the Senate bill are also determined by length of service, the maximum amount being \$500 for 18 months or more service outside the continental limits of the United States or in Alaska, and the minimum amount being \$200 for service of less than 12 months within the continental limits of the United States (excluding Alaska). The committee substitute provides mustering-out payments of \$300 for persons who have served for 60 days or more, and \$100 for persons who have served less than 60 days.

The Senate bill provides for the receipt of mustering-out payment by certain beneficiaries of the veteran in the event of the death of the veteran. The committee substitute contains no comparable pro-

vision, your committee believing that the purpose of the payment is solely to assist the veteran in making adjustments to civilian life, following his separation from the service.

REPORTS OF THE WAR AND NAVY DEPARTMENTS AND THE VETERANS' ADMINISTRATION

The report of the War Department follows:

Hon. ANDREW J. MAY,
*Chairman, Committee on Military Affairs,
House of Representatives.*

DEAR MR. MAY: The War Department has given consideration to H. R. 3799, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

The introduction of the bill followed receipt of the President's message of November 23, 1943, to the Congress, recommending the enactment of legislation to provide funds for the payment of a uniform reasonable mustering-out pay on a monthly installment basis to all members of the armed forces upon their honorable discharge or transfer to inactive duty.

Specifically, the bill would authorize the Secretary of War and the Secretary of the Navy, within their respective services, to pay mustering-out pay in three \$100 monthly installments to all members of the armed forces of the United States, with certain exceptions, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941. Any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the armed services and any person who at the time of discharge or relief from active duty shall be eligible for placement on the retired list would not be entitled to mustering-out pay. All payments of mustering-out pay would be suspended in the case of persons selected for training under the Servicemen's Education and Training Act of 1943 (not yet enacted) during the time that such person has been selected for attendance at an approved educational institution. Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of the act shall receive the first installment 1 month after the effective date of the act. Provision is made for the payment to the surviving widow, and if there be no widow then in equal shares to minor children, and if there be no widow or minor children, then in equal shares to surviving parents of any mustering-out pay which would have been paid to a member of the armed forces who dies after his discharge or relief from active duty before receiving the full amount of such pay payable to him.

The War Department is in accord with the general objective to help service men and women tide over the difficult period of readjustment from military to civilian life. The enactment of such legislation at this time will give notice to our armed forces, as the President stated in his message "that the people back home do not propose to let them down."

Since it may be helpful to the committee in giving consideration to this proposed legislation to have the benefit of the War Department's experience and analysis of the bill, certain provisions are hereinafter discussed in some detail.

Lines 3-8 of page 1 of the proposed legislation provide "that all members of the armed forces of the United States, who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay." Since Congress has generally required in legislation of this character that no person should receive benefits when discharged under other than honorable conditions, it is believed that it should be pointed out that the verbiage referred to in H. R. 3799 would make eligible to receive mustering-out pay persons who have resigned for the good of the service or have received discharges for any number of reasons such as fraudulent enlistment or induction, desertion in some instances, or undesirable habits or traits of character, or conviction by a civil court. The War Department believes that no exception should be made of legislation providing for mustering-out pay that would not be applicable to other types of legislation granting benefits. It is desired to point out that

this would be an exception to the usual provisions of legislation granting benefits.

It is noted that the bill provides, lines 8-11, page 1, and line 1, page 2, "That mustering-out pay shall not be payable to any person who, at the time of discharge or relief from active service, holds a commission, either permanent or temporary, of any rank above captain in the Army, or of any equivalent rank in any of the other armed services." If it is the desire of Congress to make ineligible for mustering-out pay those commissioned officers drawing pay of the grade of major or above, then it would seem that the language of the bill should describe the classification of persons who are ineligible by pay period rather than by rank since a captain in the Army with sufficient number of years' service may be drawing the base pay of the fourth pay period to which a major is initially entitled. Such a change would cover the cases of Army and Navy nurses who do not hold commissions but hold relative rank with commissioned officers.

The proviso on page 2, lines 2-5, inclusive, reading "That mustering-out pay shall not be payable to members of the armed forces, who, at the time of discharge or relief from active duty, shall be eligible for placement on the retired list" is ambiguous to the War Department. Only members of the Regular Army are entitled to be retired, although officers of other components may be under certain circumstances entitled to retirement pay. It is believed that this language could be clarified.

The proviso commencing with line 11 and ending with line 15 on page 2 of the bill "That, in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments under this Act shall be suspended during the time that such person has been selected for attendance at an approved educational institution," appears to suspend the payment of benefits granted by the bill but not exclude those persons taking advantage of the Servicemen's Education and Training Act. The legislation for education and training was recommended by the President in his message to the Congress on November 23, 1943, but has not yet been enacted into law. It would therefore seem desirable that this language be excluded from this bill and that consideration be given to the suspension of mustering-out pay to such persons by way of a provision in the bill providing for education and training.

Section 3 of the bill reading as follows: "Members of the armed forces entitled to mustering-out pay who shall have been discharged or relieved from active duty under other than dishonorable conditions before the effective date of this Act shall receive the first installment of their mustering-out pay one month after the effective date of this Act" does not require any affirmative act on the part of the eligible person to receive the first installment of mustering-out pay. It should be borne in mind that this section deals with men who will have been discharged from the service before the effective date of the act, and in order to avoid the confusion which would result from making payments on the basis of records which may be obsolete in many cases as to the addresses of those who are discharged or relieved, and as to whether they are living or dead, it is recommended that section 3 be amended so that it will provide that benefits will be paid within 1 month after application has been made by the person entitled thereto and received by the War Department.

In view of the fact that section 4 of the bill provides for the payment of the benefits to certain survivors where the veteran is deceased, it is believed that the language of the bill should require an application from the eligible beneficiary.

By the terms of section 3 of the bill individuals who have been discharged from the Army, such as persons who were in the status of enlisted men, have completed officers' training courses, and have since become commissioned officers would be entitled to receive benefits under this bill while on active duty in a pay status and such payments would presumably defeat the purposes of the bill. No prohibition is provided in the bill to prevent payments to an individual for more than one contract of service. In other words, the bill would authorize the sum of \$300 to an enlisted man who was discharged to accept a commission and another payment of \$300 to the same individual upon release from active duty or discharge under his commission. In some cases the absence of such a prohibition might result in the granting of even more than two awards of \$300.

Section 4 of the bill provides the following: "If any member of the armed forces, after his discharge or relief from active duty, shall die before receiving the full amount of mustering-out pay payable to such person, the amount which he would have received had he lived shall be payable to his surviving widow, if any; and if he shall leave no surviving widow, then in equal shares to his minor children, if any; and if he shall leave no surviving widow or minor children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this

Act shall be made to any other person." It is suggested that it would be desirable to amend the section so as to include cases involving a single child or a single parent. In view of the fact that there are now in the armed services married female personnel such as Army nurses and members of the Women's Army Corps, a veteran's sole survivor may be a widower rather than a widow.

The committee may also desire to give consideration to the exclusion from the benefits of the bill (1) persons discharged on their own application to take immediate employment; (2) persons who were employees of the United States Government, its territories or possessions, or the District of Columbia, who are entitled to their former positions or positions of like seniority, status, and pay under provisions of section 8 of the Selective Service and Training Act of 1940, as amended; and (3) cases of Air Corps Reserve officers who are entitled to a lump sum payment of \$500 in addition to their pay and allowances under the act of June 16, 1936 (49 Stat. 1524) after the completion of 3 years' service.

The bill makes no mention of any distinction between individuals of long length of service and persons of short length of service, nor any distinction between persons with dependents and those without dependents, and no provision is made for exemption of mustering-out pay from taxation. It is recommended that a new section be proposed to read as follows:

"No part of the mustering-out pay authorized by this Act shall be subject to deduction in settlement of debts due the United States or instrumentalities thereof, nor shall such pay be assignable or subject to the claims of creditors of any person to whom or on behalf of whom they are paid; and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever."

In view of the fact that it cannot be determined at the present time how many persons will be retained in the service or for what periods, or what persons may be discharged who are not eligible for benefits under the act, its over-all cost cannot be estimated. With respect, however, to the persons who have already been discharged or relieved from active duty up to the present time, it is estimated that the cost would be roughly a quarter of a billion dollars.

Inasmuch as the committee has requested that this report be expedited, it is submitted without a determination by the Bureau of the Budget as to whether it conforms to the program of the President.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

The report of the Navy Department follows:

NAVY DEPARTMENT,
Washington, December 14, 1943.

Hon. ANDREW J. MAY,
*Chairman of the Committee on Military Affairs,
House of Representatives.*

MY DEAR MR. CHAIRMAN: The bill H. R. 3742, to provide for payment of mustering-out pay to members of the armed forces, and for other purposes, was referred to the Navy Department by your committee with request for views thereon.

The purpose of the proposed legislation is to provide mustering-out pay for members of the armed forces, discharged or relieved from active duty after December 7, 1941. A total of \$100, \$200, or \$300 would be payable each eligible veteran, depending on whether length of service is less than 4 months, between 4 and 6 months, or 6 months or longer. Immediate payment of \$100 would be made at the time of discharge or relief from active duty; the remainder, if any, would be made in two consecutive monthly installments. Those discharged prior to the legislation becoming law would receive their first installment one month after such date. Payments under the act would be suspended in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, during the period of such training.

Veterans on discharge or relief from active duty under other than dishonorable conditions would be eligible for mustering-out pay unless at the time such individual (a) holds a commission, either permanent or temporary of any rank above captain in the Army, or of equivalent rank in any of the armed forces, or, (b) is eligible for placement on the retired list. The bill would provide for payment to the surviving widow, if any, or if none, to minor children, if any, and to the parents if there be neither widow nor minor children surviving, of a veteran who

dies after discharge, or relief from active duty, and before receiving all his mustering-out pay.

The proposed legislation is one of several types of relief under consideration as part of a program to cope with economic effects of demobilization on discharged veterans, and appears designed to afford them immediate relief on termination of their military service.

The Navy Department is in accord with the general principles of granting mustering-out pay to afford this immediate relief, but believes that legislation to this end should be integrated with other demobilization measures. Accordingly, comments by the Navy Department on H. R. 3742 will be limited to pointing out a few of the features of the measure which merit very careful consideration because of their importance to the general problem, rather than making detailed comments on technicalities and suggestions as to the form of specific amendments.

The controlling date of December 7, 1941, would require including in the measure many who have been discharged for reasons such as their having reached 38 years of age, or because their services were deemed essential in vital war industry. It might be stated that, in general, the problem of unemployment has not faced such individuals, but instead they have found industrial, agricultural or professional employment at remuneration, on the average, far in excess of their military pay and allowances. The impact of general demobilization will not fall upon those individuals because of their termination of military service, but any unfortunate consequences they may suffer will be the same as others in civilian life at the time of general demobilization, as their discharge during the present activity in industrial operations and manpower shortage should result in their almost immediate absorption into remunerative employment.

The measure appears to contemplate that its benefits will be limited to those who will, in general, be faced with need of immediate relief, and excludes those whose military rank provides substantial pay and allowances, and those who are eligible for retirement. It should be pointed out in this connection, however, that the pay period and the total pay of an officer is dependent upon length of service as well as rank. Consideration of this fact should be given in framing any conditions of eligibility for the benefits of the bill.

The matter of the eligibility of certain officers for the benefits of this bill should also be considered from the angle of accumulated leave. An officer or warrant officer is privileged to accumulate leave at the rate of 2½ days per month while on active duty, to a maximum of 4 months' leave. Whenever such an officer is to be separated from active duty, it is the policy of the Navy Department to grant to him such leave as he will have accumulated before he is transferred to an inactive status. During this period he received full pay and allowances. Under the provisions of this bill, he would, in addition, receive the mustering-out pay.

The exclusion based on eligibility for retirement should be determined after review of existing law relating to retirement. The last proviso in section 1 provides that mustering-out pay shall not be payable to members of the armed forces who, at the time of discharge or release from active duty, shall be eligible for placement on the retired list. The Naval Reserve Act of 1938 provides for the placing of officers of the Naval Reserve on the honorary retired list "without pay or allowances." It is assumed that this provision intended to deny the mustering-out pay only to those who are placed on the retired list under laws which make them eligible for retired pay. If this assumption is correct, it is recommended that the bill be amended to provide for denying the mustering-out pay to those eligible for placement on the retired list with retired pay.

It should also be pointed out that under the provisions of the act of August 27, 1940, Public Law 775, Seventy-sixth Congress, members of the Naval Reserve or Marine Corps Reserve who are called or ordered to active service for periods in excess of 30 days, who suffer disability in line of duty or from disease or injury are entitled to receive the same retirement pay among other benefits as now or may hereafter be provided by law or regulation for members of corresponding grades in the Regular Navy or Marine Corps. It will not be possible to determine, at the time such members are released from active duty, if they might later be found eligible for retirement with retired pay because of a disability incurred while in active service. Since the determination of the eligibility for retirement will not always definitely be known at the time of release from active duty, this provision will involve complications in determining entitlement to mustering-out pay at the time of release from active duty. For example, the mustering-out pay might be paid to the individual and he or she be subsequently placed on the retired list with retired pay under the provisions of the act of August 27, 1940, because of a physical condition existing when the mustering-out

pay was paid, but without knowledge by him or the Department that he was then eligible for retirement.

The exclusion based on the type of discharge from service is limited to those discharged "under dishonorable conditions." Discharge may be for bad conduct in the service, on sentence of a general or summary court martial; it may arise from misstatements in connection with enlistment or appointment, or from other causes. Very careful consideration should be given to this condition of eligibility for benefits, particularly if it is decided that individuals discharged prior to termination of hostilities are to be covered. It is suggested that the bill should be clarified in specifying the types of discharge which would be required for eligibility to benefits, or, if it is intended that the interpretations placed on the words "under dishonorable conditions" by the Administrator of Veterans' Affairs, in administering other acts should be followed by the Navy Department, it is suggested that this be clearly indicated.

The question as to whether the proposed payments will be considered as pay for military service within the meaning of the exemption provisions of the tax laws, and whether such payments shall be given a special exemption will doubtless be considered by your committee. It should be pointed out that subjecting any such payments to withholding provisions of the tax laws would involve considerable administrative difficulties, and would tend to cause delays in making payments.

Another matter of concern in connection with the administration of H. R. 3742 is the provision requiring that payment to those who have already been mustered out of the service shall be made within a month of the effective date of the proposed measure. Many payments would be required to persons whose whereabouts are at present unknown to the Navy Department. Further, it will be found that some of these veterans will have died, and it will be necessary to determine whether there is a surviving widow, or if none, minor children or parents entitled to payment. For this reason, it is recommended that the provision as to the time within which payment is to be made should be so modified as to require payment within a month only where such payment may be practically effected within such time.

It is also recommended that if the provision for paying surviving widows, minor children, and parents is retained in the bill, the terms should be either defined specifically or incorporation made by reference of definitions in other laws. It is also recommended that provisions either be inserted or incorporated by reference, authorizing payment to individuals standing in loco parentis, or other proper custodial relationship, as determined by the Secretary of the department concerned in the case of minors or other legally incompetent beneficiaries, so as to avoid the expense of appointment of guardians or committees.

Subject to the foregoing comments and recommendations, the Navy Department favors the enactment of the bill H. R. 3742.

The Navy Department has been advised by the Bureau of the Budget that there would be no objection to the submission of this recommendation.

Sincerely yours,

JAMES FORRESTAL,
Acting.

The report of the Veterans' Administration follows:

DECEMBER 13, 1943.

Hon. ANDREW J. MAY,

Chairman, Committee on Military Affairs,

House of Representatives, Washington, D. C.

MY DEAR MR. MAY: This is in reference to your request of December 7, 1943, for a report on H. R. 3799, Seventy-eighth Congress, a bill to provide for payment of mustering-out pay to members of the armed forces, and for other purposes.

A number of bills, identified as follows, having the same general purport have similarly been referred with a request for a report.

House Committee on Military Affairs:

H. R. 5, report requested, November 17, 1943.

H. R. 105, report requested, November 17, 1943.

H. R. 634.

H. R. 923.

H. R. 1247.

H. R. 1579, report requested, November 17, 1943.

H. R. 2521, report requested, November 17, 1943.

- H. R. 2538, report requested, November 17, 1943.
- H. R. 3108, report requested, November 17, 1943.
- H. R. 3181, report requested, November 17, 1943.
- H. R. 3419, report requested, November 17, 1943.
- H. R. 3459.
- H. R. 3475, report requested, November 17, 1943.
- H. R. 3541, report requested, November 17, 1943.
- H. R. 3591, report requested, November 17, 1943.
- H. R. 3656.
- H. R. 3689, report requested, November 19, 1943.
- H. R. 3735.
- H. R. 3742.

Reports have heretofore been made on H. R. 2193 and H. R. 2559.

May I request, therefore, that this letter serve as a report on all bills pending before your committee covering the general subject of a bonus, or mustering-out pay, on discharge from the active service regardless of what such gratuity may be denominated.

The purpose of H. R. 3799 is to provide that all members of the armed forces of the United States who shall have been in active service during the present war and who shall have been discharged or relieved from active duty under other than dishonorable conditions after December 7, 1941, shall be eligible to receive mustering-out pay. It is provided that mustering-out pay shall not be payable to any person who, at the time of discharge or release from active service, holds either a temporary or permanent commission of any rank above captain in the Army or any equivalent rank in any of the other armed services or to any member of the armed forces who, at the time of discharge or release from active duty, is eligible for placement on the retired list. The amount of mustering-out pay is \$300, \$100 of which is payable at the time of separation from active service and \$200 payable in 2 consecutive monthly payments, except that in the case of persons selected for training under the Servicemen's Education and Training Act of 1943, all payments are suspended during the time such person has been selected for attendance at an approved educational institution. The reference to the Servicemen's Education and Training Act of 1943 apparently pertains to S. 1509, a bill to provide for the education and training of members of the armed forces and the merchant marine after their discharge or conclusion of service, and for other purposes, which is pending before the Committee on Education and Labor of the Senate. Because of the specific provision that \$100 will be payable immediately at the time of discharge, the question arises as to whether the payments to be suspended are the remaining \$200, despite the fact that the bill provides for suspension of all payments. The need for clarification of the bill in this regard is indicated. Members of the armed forces discharged or released from active service before enactment of the bill and otherwise entitled to mustering-out pay will receive the first installment 1 month after the date the bill is enacted. In case of the death of the veteran before receiving the full amount of the mustering-out pay, the amount which he would have received had he lived will be payable to his surviving widow; or, if no widow, to his minor children, if any; and if no surviving widow or minor children, then in equal shares to his surviving parents. No other person may receive mustering-out pay.

Members of the armed forces of the United States, as used in the bill, means any member of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components. There is authorized to be appropriated such sums as are necessary to carry out the provisions of the act, which shall be administered by the Secretary of War and the Secretary of the Navy.

Several other bills have been introduced which would provide benefits for certain persons who served in the active military or naval forces on or after December 7, 1941, which are intended to bridge the economic gap between discharge and employment, although payments are not contingent upon unemployment, and notwithstanding that approximately 1,000,000 have been discharged from service since Pearl Harbor, most of whom, if able to work, apparently have had little difficulty in finding employment. The present bill, in common with several others, bears no relationship to the length or character of service, and provides the same benefit for those who were discharged after a few days of service in this country as is provided for those who served in combat for long periods of time in foreign countries. The bill provides pay for all below the ranks designated except those eligible for retirement. It does not take cognizance of the probable

duplication of benefits under other laws providing benefits for honorably discharged veterans except to suspend payments of mustering-out pay during the time a veteran is in a certain type of training.

There seems to be general agreement that there should be legislation which will ease the transition from military to civil life, especially during and after demobilization. The thought is rather general, too, that the benefits provided should not be a lump sum, but should be available for a reasonable period of time, particularly if there be widespread unemployment. These principles, together with consistency and practicability of administrative operation, should form the basis of whatever legislation is favorably considered. In connection with various studies made by committees on which I have served heretofore, I expressed the view that for ease of administration the service departments should pay for the first 2 months after discharge the full service pay; for the next 2 months, 75 percent of the said pay, and for the succeeding 2 months, 50 percent. The objections are--paying service pay to one not in the active service, and conversely retaining military control in a furlough or leave status for the purpose of avoiding the said objection.

I think any committee considering these bills will want to give careful thought to the cost involved. Several plans envisage total expenditures per person of from \$600 to \$1,000 or more; and while in some of the bills these amounts are reduced to the minimum of \$100 and a maximum of \$300, they contemplate other provisions or benefits such as 1 year or more of schooling for selected groups, unemployment insurance at Federal expense, and social security coverage for the period in service with the so-called tax deduction therefor to be paid wholly out of Federal funds, i. e., without contribution on the part of the person in service, and these several benefits may well average \$1,000 per person in service. It should be mentioned that none of the bills apparently takes into consideration the fact that demobilization may extend over a considerable period of time and no allowance is made for those separated from the service heretofore (more than 1,000,000 since Pearl Harbor, as above stated) nor for a large number who may remain in the service due to the continued needs of both the Army and the Navy. It is not believed there should be a pecuniary incentive to seek discharge any more than to avoid securing a job. Generally, no provision is made to prevent overlapping of so-called mustering-out pay and disability pensions. These service-disability pensions range from \$10 per month for a 10-percent disability to \$100 per month for a total disability, with statutory provisions, as for the loss of certain members, increasing the amounts to as high as \$250 per month. While the pension laws preclude the payment of pension while the veteran is in receipt of active service or retirement pay, these proposed benefits do not fall in either category.

In addition to the easily appreciated moral hazard inherent in providing payments in such amount in individual cases as to mitigate against a healthy desire to seek civil rehabilitation, there must be considered over-all cost as indicated above. If this should average \$1,000 per person the cost can scarcely be calculated at less than \$10,000,000,000 considering the number of persons which now are, or will be, in the active service. The cost of any of these proposals may readily be estimated. None would be less than an average of \$500 per person; hence for 12,000,000 veterans this minimum would be \$6,000,000,000. While, for security reasons, current figures are not available to the Veterans' Administration, we did, some few years since, with the assistance of the War and Navy Departments, calculate that the average pay plus maintenance of those in service was \$77 per month. With the increase in the pay base made by Public Law 607, Seventy-seventh Congress (Pay Readjustment Act of 1942), plus the added cost of maintenance under war conditions the average of pay and allowances (not including family allowances) would doubtless exceed \$100 per person per month or over \$1,200 per year. For 10,000,000 veterans this would mean \$1,000,000,000 per month, or \$12,000,000,000 per year; which will afford a readily applied measure for calculating cost of any plan based upon so many months of pay.

I think the committee may well be interested in benefits now available for those serving in the present war. To detail them in this letter would require too great length; hence there is enclosed a summary showing all such benefits. Therefrom, or rather from the table appended, it can be seen that there have been paid out by way of benefits to veterans of World War I, to date, something over \$15,000,000,000. Existing obligations in this connection to veterans of all wars and the peacetime or regular establishment will unquestionably equal \$1,000,000,000 annually for several years.

The question that must be faced in consideration of any of these bills, for one or more of these proposals, will be what additional necessary and desirable benefits should be extended to veterans as such and what is the most equitable basis, as well as the practicability of administering such benefits. Popular sentiment naturally and properly extends to those bearing the burden of the tremendous conflict, but a sound program is one which in the cold afterthought of paying the costs will appear just and equitable, and which will leave no just claims for equivalent treatment. Further, precedents as to benefits afforded veterans of prior wars will have a tremendous bearing, as has been shown by past as well as present experience. For example, the official program of the United Spanish War Veterans has always called for benefits identical to those extended to the veterans of the Civil War, and that of the several service organizations is that benefits to veterans of World War II shall be on a parity with those of World War I. There is the further principle that the service-based benefit should bear some relationship by reason of the sacrifice of the service. This has been the basis of both service and disability pensions, as well as disability or death pensions. Again even the present high pay rates plus all allowances, including liberal income-tax exemptions, do not compare too favorably with the average labor earnings before the war, and less so as to wartime average labor pay scales (average, 1940, \$1,362; 1942, \$1,900; 1943, \$2,000).

Because of the cost involved and the large numbers of individuals affected and which, unless the plan be of the simplest possible nature, would involve tremendous administrative difficulties, I find it difficult to formulate any reasonable plan which would eliminate all of the possible objections. The bill, H. R. 3799, would be simple in operation, and would cost for 12,000,000 veterans, \$3,600,000,000, plus the cost of administration.

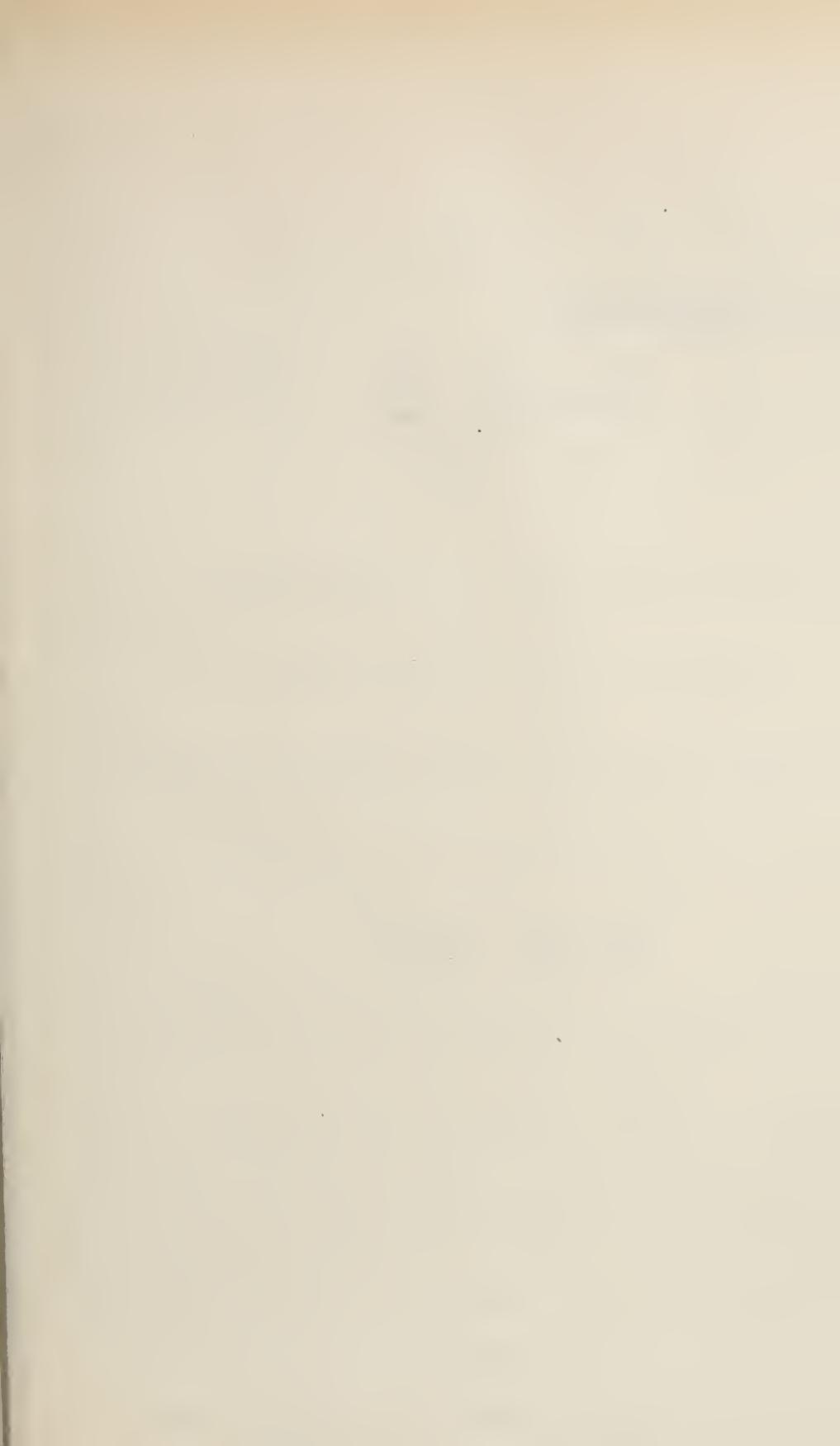
The Veterans' Administration would have no responsibility under H. R. 3799, as its provisions would be administered by the Secretary of War and the Secretary of the Navy. For this reason it is assumed that your committee will desire the views of the War and Navy Departments on the proposed legislation.

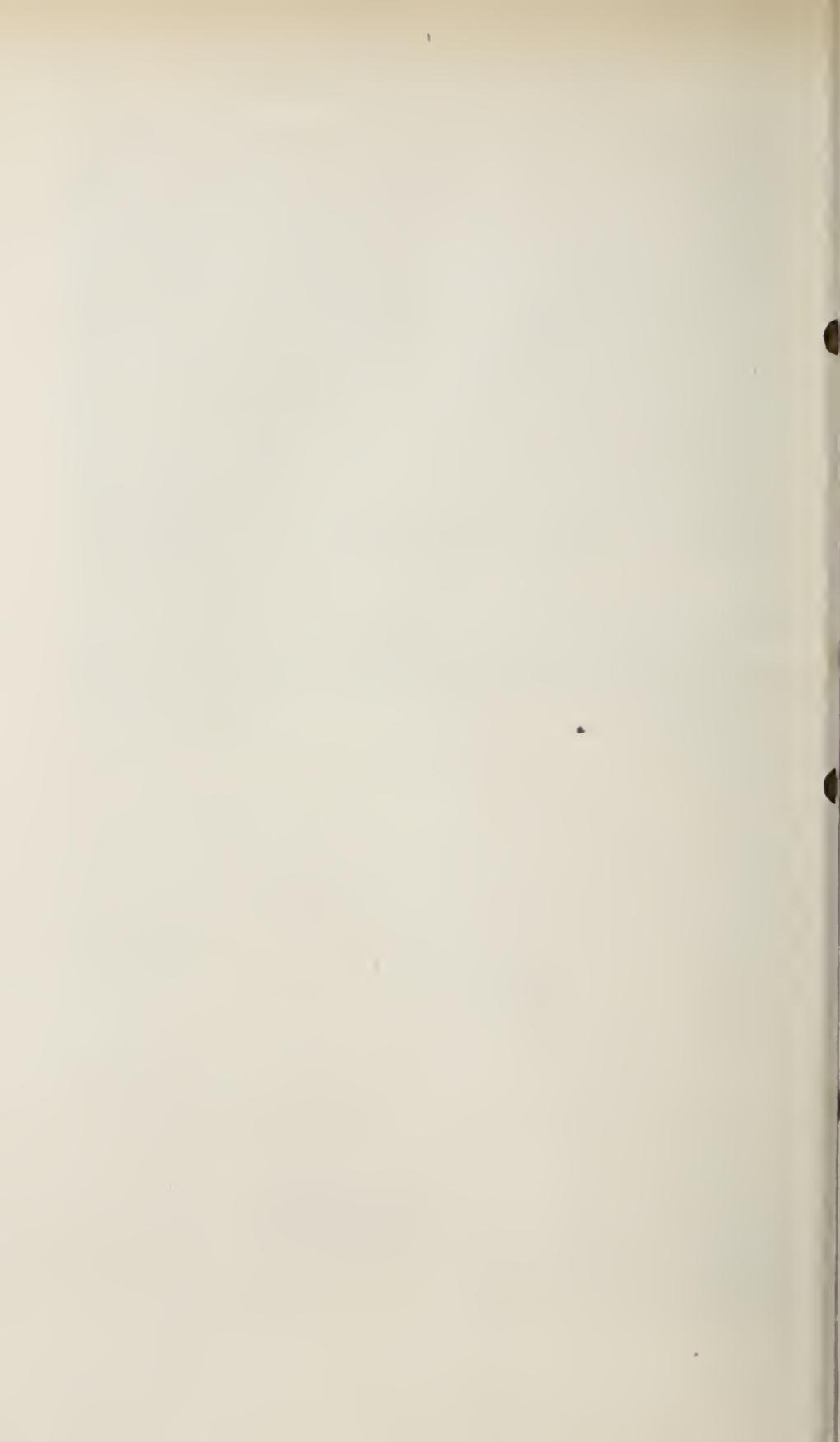
Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this report to your committee.

Very truly yours,

FRANK T. HINES,
Administrator.







78TH CONGRESS
2D SESSION

Union Calendar No. 341
S. 1543

[Report No. 986]

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 1943

Referred to the Committee on Military Affairs

JANUARY 13, 1944

Reported with an amendment, committed to the Committee of the Whole House
on the state of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To provide for mustering-out payments to members of the armed
forces, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 *That each member of the armed forces of the United States,*
- 4 *who shall have been engaged in active service in the present*
- 5 *war, discharged or relieved from active service under honor-*
- 6 *able conditions, on or after December 7, 1941, shall be*
- 7 *eligible to receive mustering-out payments:* *Provided,* That
- 8 *mustering-out payment shall not be made to any person who,*
- 9 *at the time of discharge or relief from active service, holds*

1 a commission, either permanent, temporary, or in any reserve
2 capacity, of any rank above that of colonel in the Army, or
3 of any equivalent rank in any of the other branches of the
4 armed service of the United States: *Provided further*, That
5 such payment shall not be made to members of the armed
6 forces who, at the time of discharge or relief from active
7 service, are transferred or returned to the retired list with
8 retirement pay or to a status in which they receive retirement
9 pay: *Provided further*, That such payment shall not be made
10 to members of the armed forces who have had no service out-
11 side of the continental limits of the United States and who
12 are discharged or relieved from active service solely on their
13 own initiative for occupational reasons.

14 SEC. 2. Muster-out payment for persons eligible under
15 section 1 shall be in sums as follows:

16 (a) \$500 for persons who have served outside the con-
17 tinental limits of the United States or in Alaska for eighteen
18 months or more after December 6, 1941.

19 (b) \$400 for persons who have served outside the con-
20 tinental limits of the United States or in Alaska for twelve
21 to eighteen months after December 6, 1941.

22 (c) \$300 for persons who have served outside the conti-
23 nental limits of the United States or in Alaska for less than
24 twelve months after December 6, 1941.

25 (d) \$300 for persons who have served within the conti-

1 nental limits of the United States (excluding Alaska) for
2 twelve months or more after December 6, 1941.

3 (e) \$200 for persons who have served within the conti-
4 nental limits of the United States (excluding Alaska) for less
5 than twelve months after December 6, 1941.

6 Each individual eligible to receive mustering-out pay-
7 ment shall receive one-third of the stipulated amount at the
8 time of discharge or relief from active duty. The remaining
9 amount of mustering-out payment shall be made in two equal
10 installments—one month and two months, respectively, from
11 the date of the original payment: *Provided*, That benefits
12 under subsection (e) of this section shall be payable in two
13 instead of three equal installments.

14 SEC. 3. Any member of the armed forces entitled to
15 mustering-out payment but who shall have been discharged
16 or relieved from active service under honorable conditions
17 before the effective date of this Act shall receive the benefits
18 thereof, beginning within one month after application has
19 been made by such person and received by the appropriate
20 department: *Provided*, That no person entitled to benefit
21 under this Act shall receive mustering-out payment more
22 than once, and such payment shall accrue and the amount
23 thereof shall be computed as of the time of discharge for the
24 purpose of effecting a permanent separation from the service
25 or of ultimate relief from active service.

1 SEC. 4. If any member of the armed forces, after his
2 discharge or relief from active service, shall die before re-
3 ceiving any portion of or the full amount of his mustering-
4 out payment, the balance of the amount due him shall be
5 payable, on appropriate application therefor, to his surviving
6 spouse, if any; and if he shall leave no surviving spouse,
7 then in equal shares to his child or children, if any; and if
8 he shall leave no surviving spouse or child or children, then
9 in equal shares to his surviving parents, if any: *Provided*,
10 That no payments under this Act shall be made to any other
11 person.

12 SEC. 5. No part of the mustering-out payment author-
13 ized by this Act shall be subject to deduction in settlement of
14 debts due the United States or instrumentalities thereof, nor
15 shall such payment be assignable or subject to the claims of
16 creditors of any person to whom or on behalf of whom it is
17 paid; and shall not be liable to attachment, levy, or seizure
18 by or under any legal or equitable process whatever.

19 SEC. 6. As used in this Act—

20 (a) The term "member of the armed forces of the United
21 States" means any member of the Army or Navy of the
22 United States, the United States Marine Corps, the United
23 States Coast Guard, or any of their respective components.

24 (b) The term "spouse" means a lawful wife or husband.

1 (e) The term "child" includes (1) a legitimate child;
2 (2) a child legally adopted; and (3) a stepchild, if, at the
3 time of death of the member of the armed forces, such step-
4 child was a member of the deceased's household.

5 (d) The term "parent" includes father and mother, step-
6 father and stepmother, and father and mother through
7 adoption.

8 SEC. 7. There are hereby authorized to be appropriated
9 such sums as may be necessary to carry out the provisions
10 of this Act. The Secretary of War and the Secretary of
11 the Navy shall administer this Act within their respective
12 services.

13 SEC. 8. This Act may be cited as "Musterling Out Pay-
14 ment Act of 1943".

15 That (a) except as provided in subsection (b) of this section,
16 each member of the armed forces who shall have been engaged
17 in active service in the present war, and who is discharged
18 or relieved from active service under honorable conditions
19 on or after December 7, 1941, shall be eligible to receive
20 mustering-out payment.

21 (b) No mustering-out payment shall be made to—

22 (1) any member of the armed forces who, at the time
23 of discharge or relief from active service, is receiving
24 base pay at a higher rate than the base pay of the third

1 *period as prescribed in section 1 of the Pay Readjust-
2 ment Act of 1942, as amended;*

3 *(2) any member of the armed forces who, at the
4 time of discharge or relief from active service, is trans-
5 ferred or returned to the retired list with retirement pay
6 or to a status in which he receives retirement pay;*

7 *(3) any member of the armed forces for any active
8 service performed prior to the date of his discharge or
9 relief from active service to accept employment or, in
10 the case of any member so relieved from active service,
11 for any active service performed prior to the date of his
12 discharge while in such inactive status, unless he has
13 served outside the continental limits of the United States
14 or in Alaska;*

15 *(4) any Air Corps Reserve officer who is entitled
16 to receive a lump-sum payment under section 2, as
17 amended (55 Stat. 240), of the Act of June 16, 1936;*

18 *(5) any member of the armed forces whose total
19 period of service has been as a student detailed for train-
20 ing under (A) the Army Specialized Training Program,
21 (B) the Army Air Forces College Training Program,
22 or (C) any similar program under the jurisdiction of
23 the Navy, Marine Corps, or Coast Guard;*

24 *(6) any member of the armed forces for any active
25 service performed prior to the date of his discharge from*

1 such forces for the purpose of entering the United States
2 Military Academy, the United States Naval Academy, or
3 the United States Coast Guard Academy;

4 (7) any member of the armed forces whose sole
5 service has been as a cadet at the United States Military
6 Academy or the United States Coast Guard Academy,
7 or as a midshipman at the United States Naval Acad-
8 emy, or in a preparatory school after nomination as a
9 principal, alternate, or candidate for admission to any
10 of said Academies; and

11 (8) any commissioned officer unless he is discharged
12 or relieved from active service within three years after
13 the termination of the present war as proclaimed by the
14 President.

15 SEC. 2. (a) Mustering-out payment for persons eligible
16 under section 1 shall be in sums as follows:

17 (1) \$300 for persons who have performed active
18 service for sixty days or more;

19 (2) \$100 for persons who have performed active
20 service for less than sixty days.

21 (b) Each person eligible to receive mustering-out pay-
22 ment under subsection (a) (1) shall receive one-third of the
23 stipulated amount at the time of final discharge or ultimate
24 relief from active service. The remaining amount of muster-
25 ing-out payment shall be made in two equal installments—one

1 month and two months, respectively, from the date of the origi-
2 nal payment. Each person eligible to receive mustering-out
3 payment under subsection (a) (2) shall receive the stipulated
4 amount at the time of such discharge or relief from active
5 service.

6 SEC. 3. Any member of the armed forces entitled to
7 mustering-out payment who shall have been discharged or
8 relieved from active service under honorable conditions be-
9 fore the effective date of this Act shall, if application therefor
10 is made within one year after the date of enactment of this
11 Act, be paid such mustering-out payment by the War De-
12 partment or the Navy Department, as the case may be,
13 beginning within one month after application has been re-
14 ceived and approved by such department: Provided, That no
15 member of the armed forces shall receive mustering-out pay-
16 ment under this Act more than once, and such payment shall
17 accrue and the amount thereof shall be computed as of the
18 time of discharge for the purpose of effecting a permanent
19 separation from the service or of ultimate relief from active
20 service.

21 SEC. 4. No mustering-out payment under this Act shall
22 be paid to any person other than the veteran or a duly ap-
23 pointed guardian for a veteran, and no such payment shall
24 be payable to the estate of any deceased veteran.

25 SEC. 5. (a) Mustering-out payments due or to become

1 due under this Act shall not be assignable and any payments
2 made to or on account of a veteran hereunder shall be exempt
3 from taxation, shall be exempt from the claims of creditors,
4 including any claim of the United States, and shall not be
5 subject to attachment, levy, or seizure by or under any legal
6 or equitable process whatever either before or after receipt
7 by the payee.

8 (b) The Secretary of War and the Secretary of the
9 Navy shall make such regulations not inconsistent with this
10 Act as may be necessary effectively to carry out the provisions
11 thereof, and the decisions of the Secretary of War and the
12 Secretary of the Navy shall be final and not subject to
13 review by any court or other Government official.

14 SEC. 6. As used in this Act, the term "member of the
15 armed forces" means any member of the Army or Navy of
16 the United States, the United States Marine Corps, the United
17 States Coast Guard, or any of their respective components.

18 SEC. 7. Appropriations for the Army and Navy, and the
19 several components thereof, respectively, shall be available for
20 the payments provided by this Act and necessary administra-
21 tive expenses. There is hereby authorized to be appropriated
22 such additional sums as may be necessary to carry out the
23 provisions of this Act. Amounts expended hereunder shall
24 be included in the annual reports to the Congress by the
25 departments concerned.

1 *SEC. 8. This Act may be cited as the "Musterering-Out*
2 *Payment Act of 1944".*

Passed the Senate December 17 (legislative day, December 15), 1943.

Attest:

EDWIN A. HALSEY,

Secretary.

78TH CONGRESS
2D SESSION

S. 1543

[Report No. 986]

AN ACT

To provide for mustering-out payments to members of the armed forces, and for other purposes.

December 18, 1943

Referred to the Committee on Military Affairs

JANUARY 13, 1944

Reported with an amendment, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed



1080. A letter from the president, the Chesapeake & Potomac Telephone Co., transmitting a report of the Chesapeake & Potomac Telephone Co. for the year 1943; to the Committee on the District of Columbia.

1081. A letter from the administrative assistant to the Secretary, Department of Commerce, transmitting the estimate of personnel requirements for the quarter ending March 31, 1944, under the ceiling unit "Working funds, Bureau of Foreign and Domestic Commerce," substituting the one transmitted with letter of December 30, 1943; to the Committee on the Civil Service.

1082. A letter from the Acting Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

1083. A letter from the Assistant Secretary of the Navy, transmitting estimates of personnel requirements for the Navy Department, the United States Marine Corps, and the United States Coast Guard, for the quarter ending March 31, 1944; to the Committee on the Civil Service.

1084. A letter from the Attorney General, transmitting the fifth report of the Attorney General covering the period from September 14, 1943, through January 8, 1944; to the Committee on Banking and Currency.

1085. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the act approved March 2, 1935, as amended; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on Election of President, Vice President, and Representatives in Congress. S. 1285. An act to amend the act of September 16, 1942, which provided a method of voting in time of war by members of the land and naval forces absent from the place of their residence, and for other purposes; with amendment (Rept. No. 993). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 192. Joint resolution to enable the United States to participate in the work of the United Nations relief and rehabilitation organization; with amendments (Rept. No. 994). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 398. Resolution providing for the consideration of S. 1543, to provide for mustering-out pay to members of the armed forces, and for other purposes; without amendment (Rept. No. 995). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WORLEY:

H. R. 3982. A bill to provide a method of voting during the period of the war and 6 months thereafter by members of the armed forces absent from the place of their residence; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. GILLIE:

H. R. 3983. A bill to authorize a survey of the military route of Gen. Anthony Wayne during the Indian wars, with a view to constructing a national parkway to be known as the General Anthony Wayne Memorial

Parkway; to the Committee on the Public Lands.

By Mr. KILDAY:

H. R. 3984. A bill to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes, approved June 3, 1916," as amended, and for other purposes; to the Committee on Military Affairs.

By Mr. PACE:

H. R. 3985. A bill to amend section 901 of the Second War Powers Act, 1942, approved March 27, 1942, to permit any letter mail containing registration certificates or ballots sent by any member of the military or naval forces to be transmitted by air mail, free of postage; to the Committee on the Post Office and Post Roads.

By Mr. SCANLON:

H. R. 3986. A bill to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry; to the Committee on Labor.

By Mr. SHAFER:

H. R. 3987. A bill to provide that the proceeds from the sale of surplus war materials and real estate of the United States be used for the reduction of the public debt; to the Committee on Ways and Means.

By Mr. CURLEY:

H. R. 3988. A bill to establish, protect, and extend an American merchant navy; to the Committee on the Merchant Marine and Fisheries.

By Mr. HOFFMAN:

H. R. 3989. A bill to amend section 113 of chapter VI of title 29 of the United States Code (47 Stat. 70); to the Committee on the Judiciary.

By Mr. ENGEL of Michigan:

H. R. 3990. A bill to amend subsection (f), section 1, title I, Public Law No. 2, Seventy-third Congress, approved March 20, 1933, and paragraph 1, part VII, Veterans Regulation No. 1 (a), as amended, to provide vocational rehabilitation under Public Law No. 16, Seventy-eighth Congress, approved March 24, 1943, for veterans entitled to disability benefits at wartime rates under the provisions of Public Law No. 359, Seventy-seventh Congress, approved December 19, 1941; to the Committee on World War Veterans' Legislation.

By Mr. HARLESS of Arizona:

H. R. 3991. A bill to protect investments made for wartime production of strategic and critical minerals, to prevent dumping after the war and a post-war market collapse, and to provide a stock pile of these minerals for future emergencies; to the Committee on Banking and Currency.

By Mr. PRICE:

H. R. 3992. A bill to provide a method of voting for members of the armed forces of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. GILLIE:

H. J. Res. 222. Joint resolution to insure the complete fulfillment of commitments made to agricultural producers who have expanded production of nonbasic farm commodities; to the Committee on Banking and Currency.

By Mr. RANKIN:

H. Res. 397. Resolution making S. 1285, a bill to facilitate voting, in time of war, by members of the land and naval forces, members of the merchant marine, and others, absent from the place of their residence, and for other purposes, a special order of business; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 3993. A bill conferring jurisdiction upon the Court of Claims to reopen and re-adjudicate the eminent domain case of John W. Parish, trustee (John H. Bexten, substituted), against the United States, No. 34450; to the Committee on the Judiciary.

By Mr. DIMOND:

H. R. 3994. A bill for the relief of Camp No. 1, Alaska Native Brotherhood, Sitka, Alaska; to the Committee on Claims.

By Mr. HORAN:

H. R. 3995. A bill for the relief of Walter Lundmark; to the Committee on Claims.

By Mr. MANSFIELD of Texas:

H. R. 3996. A bill for the relief of F. L. Gause, Rosalind Gause, and Helen Gause; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4305. By Mr. ANDREWS: Petition containing approximately 1,600 names of residents of Niagara and Erie Counties, N. Y., opposing the Bryson bill or any such legislation; to the Committee on the Judiciary.

4306. Also, resolution adopted by the Evans Grange organization of Angola, N. Y., protesting against the continuation of farm subsidies; to the Committee on Banking and Currency.

4307. Also, resolution adopted by the Amalgamated Local No. 686 consisting of 5,000 members, and the Lockport Congress of Industrial Organizations council, consisting of 10,000 members, favoring the Green-Lucas soldiers' vote bill; to the Committee on Election of President, Vice President, and Representatives in Congress.

4308. By Mr. ENGEL of Michigan: Petition of Mrs. Jessie M. Berry and 271 others, favoring House bill 2082, known as the Bryson bill; to the Committee on the Judiciary.

4309. By Mr. FOGARTY: Petition of the Rhode Island General Assembly on the subject of a permanent United States veterans' hospital in the State of Rhode Island; to the Committee on World War Veterans' Legislation.

4310. Also, memorial of the city council of the city of Providence, urging the establishment, in the State of Rhode Island, of a United States veterans' hospital; to the Committee on World War Veterans' Legislation.

4311. Also, memorial of the Rhode Island General Assembly, protesting against the enactment of House bill 2082, or any legislation having as its purpose any prohibition of the manufacture or sale or the transportation of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

4312. Also, memorial of the City Council of the City of Providence, R. I., urging the defeat of House bill 2082; to the Committee on the Judiciary.

4313. By Mr. GILLETTE: Petition of the Koch's Brewing Co., South Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4314. Also, petition of T-A Waterville Hotel Corporation, Waterville, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4315. Also, petition of Ted's Restaurant, Montoursville, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4316. Also, petition of White Horse Inn, Montoursville, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4317. Also, petition of John Spath, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4318. Also, petition of Ann V. Kyler, of Lock Haven, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4319. Also, petition of Elks Club of Jersey Shore, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4320. Also, petition of the Old Corner Hotel, Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4321. Also, petition of John G. Rohrer, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4322. Also, petition of the Riverside Grill, South Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4323. Also, petition of the Keystone League, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4324. Also, petition of the Republican Club of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4325. Also, petition of Mary M. Mosser, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4326. Also, petition of the Williamsport Wheel Club, Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4327. Also, petition of Edward Payne Porter, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4328. Also, petition of the Kelly Grill, Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4329. Also, petition of Carl A. Meyer, of Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4330. Also, petition of the Loyal Order of Moose, Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4331. Also, petition of the Valley Inn, DuBoistown, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4332. Also, petition of Forty and Eight Voiture No. 382, Williamsport, Pa., opposing House bill 2082; to the Committee on the Judiciary.

4333. By Mr. HOEVEN: Petition of Mrs. C. A. Shuite, of Sac City, Iowa, and 78 other people of that community, urging enactment of House bill 2082; to the Committee on the Judiciary.

4334. Also, petition of Rev. L. A. Brunsting and other residents of Sioux County, Iowa, urging enactment of House bill 2082; to the Committee on the Judiciary.

4335. By Mr. HOPE: Petition of sundry citizens of Plains, Kans., urging the passage of House bill 2082; to the Committee on the Judiciary.

4336. Also, petition of 50 citizens of Hutchinson, Kans., urging passage of House bill 2082; to the Committee on the Judiciary.

4337. By Mr. HORAN: Petition of Mrs. R. L. Ringer and 14 other residents of Spokane, Wash., to reduce absenteeism, conserve manpower, and speed production of materials

necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of demobilization; to the Committee on the Judiciary.

4338. Also, petition of Ella M. Terry and 17 other residents of Spokane, Wash., to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of demobilization; to the Committee on the Judiciary.

4339. By Mr. KEARNEY: Petitions signed by 84 citizens of New York State, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4340. Also, petitions containing the signatures of 2,465 citizens of the State of New York, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4342. By Mr. MOTTE: Seventeen petitions signed by Tom Holman, of Salem, Oreg., and 489 other citizens of the State of Oregon, protesting against enactment of House bill 2082 and Senate bill 860; to the Committee on the Judiciary.

4343. By Mr. RAMEY: Petition of Rev. William Bain and 39 other residents of Toledo, Ohio, and a letter from Rev. Fay M. Bowman, of Toledo, Ohio, urging the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, sponsored by Hon. JOSEPH R. BRYSON; to the Committee on the Judiciary.

4344. By Mr. ROWAN: Petition of the B. & M. Distributors of Chicago, Ill., against the enactment of House bill 2082, the Bryson bill; to the Committee on the Judiciary.

4345. By Mr. SCHIFFLER: Petition of T. M. Tuerffs, commander, Fairmont Post, No. 17, the American Legion, Fairmont, W. Va., urging the passage of legislation that will provide mustering-out pay, clothing, and hospitalization facilities for discharged servicemen immediately upon their return to civilian life; to the Committee on Military Affairs.

4346. By Mrs. SMITH of Maine: Petition of the Desire Toulouse Market, Augusta, Maine, and citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4347. Also, petition of the Black and White Cafe, Augusta, Maine, and citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4348. Also, petition of Jack's Cafe, Augusta, Maine, and citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4349. Also, petition of Calix P. Blouin, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4350. Also, petition of Michaud Bros., Augusta, Maine, and citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4351. By the SPEAKER: Petition of Morris H. Tynes, of Greensboro, N. C., petitioning consideration of resolution with reference to postponing of the 1944 Presidential campaign; to the Committee on the Judiciary.

4352. Also, petition of Moms of America, Detroit 26, Mich., petitioning consideration of resolution with reference to soldiers voting; to the Committee on Election of President, Vice President, and Representatives in Congress.

4353. Also, petition of the Colorado Producers and Distributors, Inc., Denver, Colo., petitioning consideration of resolution with reference to House bill 2082; to the Committee on the Judiciary.

4354. Also, petition of the Board of Supervisors of Kent County, Mich., petitioning consideration of resolution with reference to House bill 3420; to the Committee on Interstate and Foreign Commerce.

4355. Also, petition of the American Legion, East Grand Rapids Post, East Grand Rapids, Mich., petitioning consideration of resolution with reference to House bill 3420; to the Committee on Interstate and Foreign Commerce.

4356. Also, petition of the managing director, State of Connecticut Development Commission, Hartford, Conn., petitioning consideration of resolution with reference to House bill 3420; to the Committee on Interstate and Foreign Commerce.

4357. Also, petition of Elizabeth A. Blanchard, of Boston, Mass., petitioning consideration of resolution with reference to her petition for redress; to the Committee on the Civil Service.

78TH CONGRESS
2D SESSION

House Calendar No. 160

H. RES. 398

[Report No. 995]

IN THE HOUSE OF REPRESENTATIVES

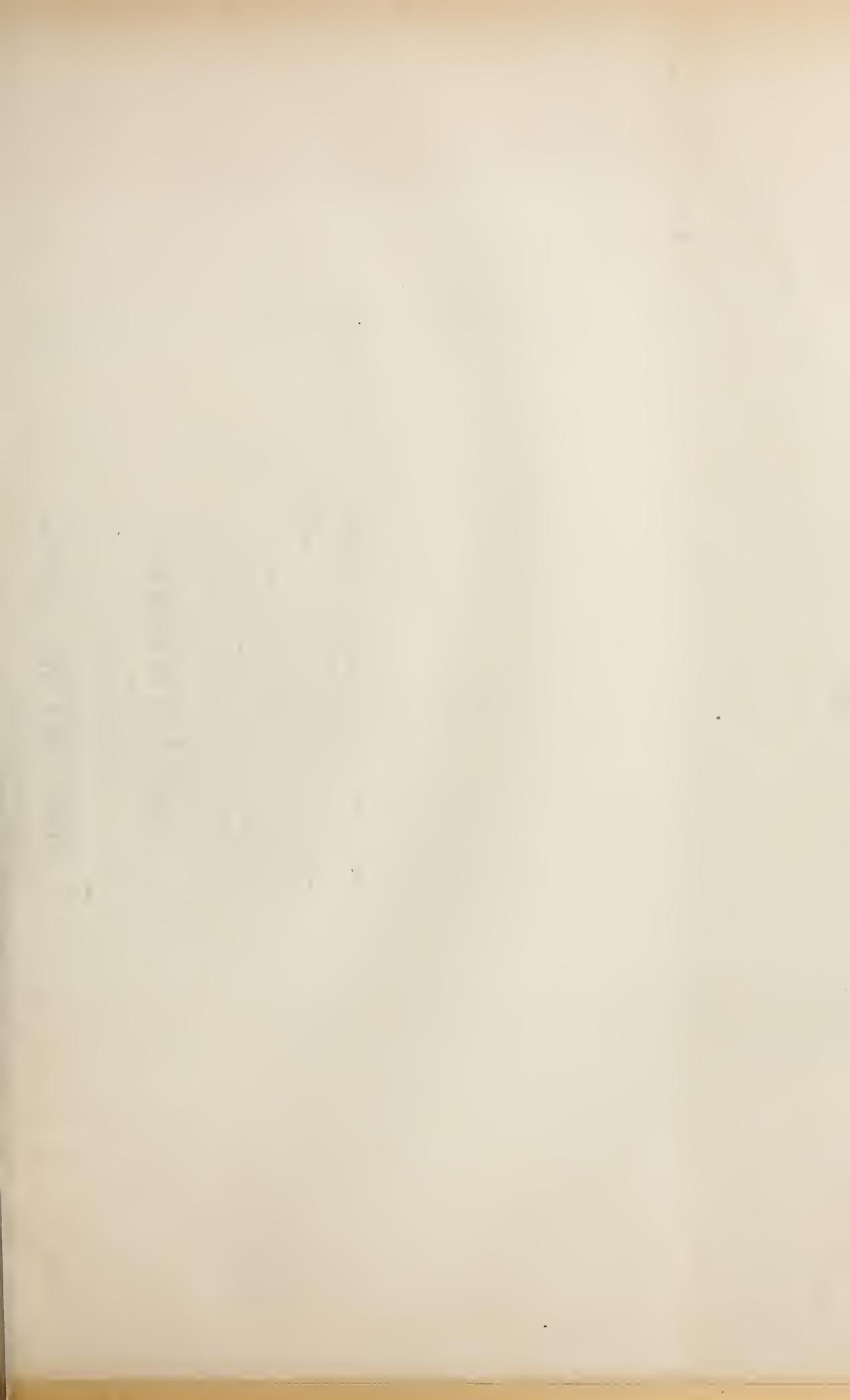
JANUARY 17, 1944

Mr. SABATH, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the state of the
4 Union for the consideration of the bill (S. 1543) to provide
5 for mustering-out payments to members of the armed forces,
6 and for other purposes. That after general debate, which
7 shall be confined to the bill and continue not to exceed two
8 hours, to be equally divided and controlled by the chairman
9 and ranking minority member of the Committee on Mili-
10 tary Affairs, the bill shall be read for amendment under the
11 five-minute rule. It shall be in order to consider without
12 the intervention of any point of order the substitute com-

1 mittee amendment recommended by the Committee on Mili-
2 tary Affairs now in the bill, and such substitute for the
3 purpose of amendment shall be considered under the five-
4 minute rule as an original bill. At the conclusion of such con-
5 sideration the Committee shall rise and report the bill to the
6 House with such amendments as may have been adopted, and
7 any Member may demand a separate vote in the House on
8 any of the amendments adopted in the Committee of the
9 Whole to the bill or committee substitute. The previous
10 question shall be considered as ordered on the bill and
11 amendments thereto to final passage without intervening
12 motion except one motion to recommit.



78TH CONGRESS H. RES. 398
2d SESSION

[Report No. 995]

RESOLUTION

Providing for the consideration of S. 1543, to provide for mustering-out pay to members of the armed forces, and for other purposes.

By Mr. SABATH

JANUARY 17, 1944

Referred to the House Calendar and ordered to be printed

CONSIDERATION OF S. 1543

JANUARY 17, 1944.—Referred to the House Calendar and ordered to be printed

Mr. SABATH, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 398]

The Committee on Rules, having had under consideration House Resolution 398, report the same to the House with the recommendation that the resolution do pass.





amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 4, after the word "pay", strike out the remainder of lines 4, 5, 6, and 7 through the word "leg" and insert the following: "out of any money in the Treasury not otherwise appropriated, to the legal guardian of August Michela, a minor, of Brooklyn, N. Y., the sum of \$750 in full settlement of all claims against the United States for personal injuries sustained as a result of being struck by a Works Progress Administration truck, on March 17, 1939, at the intersection of Thirty-ninth Street and Fort Hamilton Parkway, Brooklyn, N. Y."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the legal guardian of August Michela, a minor."

ROBERT BECKWITH ET AL.

The Clerk called the next bill, H. R. 1469, for the relief of Robert Beckwith, Julius Buettner, and Emma M. Buettner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Beckwith, of Shawano County, Wis., the sum of \$6,000, and to Julius Buettner and Emma M. Buettner, of Shawano County, Wis., the sum of \$5,100, in full settlement of all claims against the United States for personal injuries to Robert Beckwith, and for the death of Harrison Buettner, son of Julius and Emma M. Buettner, as a result of an Army ambulance numbered 7558 colliding with the car in which they were riding near Crystal Falls, Mich., on September 1, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$6,000" and insert in lieu thereof "\$3,000."

Page 1, line 8, strike out "\$5,100" and insert "\$2,500."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HASSLER-PONDER TOY MANUFACTURING CO., INC.

The Clerk called the next bill, H. R. 2455, for the relief of Hassler-Ponder Toy Manufacturing Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hassler-Ponder Toy Manufacturing Co., Inc., the sum of \$10,000, in full satisfaction of all claims against the United States for damages sustained by the Hassler-Ponder Toy Manufacturing Co., Inc., by a fire which destroyed its plant and equipment on November 16, 1938, while being occupied and used by the Works Progress Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, after the word "Incorporated" insert "of Birmingham, Ala."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALLACE KERR, JR.

The Clerk called the next bill, H. R. 3195, for the relief of Willard Kerr, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Willard Kerr, Jr., of Chester, Pa., the sum of \$10,000, in full settlement of all claims against the United States for the death of his wife, Edith Kerr, who was killed when the automobile in which she was riding was struck by a United States Army truck at the intersection of Ridge Road in Marcus Hook, Pa., on October 24, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of service rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$10,000" and insert in lieu thereof "\$6,020.80."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WADE BROS., A PARTNERSHIP COMPOSED OF M. J., G. W., AND OVID WADE

The Clerk called the next bill, H. R. 3504, for the relief of Wade Bros., a partnership composed of M. J., G. W., and Ovid Wade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Wade Bros., a partnership composed of M. J. Wade, G. W. Wade, and Ovid Wade, of Eldorado, Tex., the sum of \$7,674.98, for losses which occurred on November 28, 1942, when a United States Army airplane engaged in bombing practice released a bomb striking and exploding on said Wade Bros. ranch and causing the following damages, to wit: 3,200 acres of grass burned and destroyed, 98 fence posts destroyed, 1 mile of net wire and 1 mile of barbed wire destroyed, and 499 sheep destroyed: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID COWAN AS NATURAL GUARDIAN OF GILDA COWAN, A MINOR

The Clerk called the next bill, H. R. 2126, for the relief of David Cowan as natural guardian of Gilda Cowan, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to David Cowan the sum of \$10,000, as compensation for and in full settlement of all claims against the United States for injuries sustained by his daughter, Gilda Cowan, a minor, when, on April 28, 1934, a Navy Department trailer attached to the dirigible Macon, at Opa Locka Flying Field, Miami, Fla., ran over her right leg: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$10,000, as compensation for and" and insert in lieu thereof "\$2,500, as natural guardian of Gilda Cowan, a minor, of Chicago, Ill."

Page 1, line 8, strike out "for damages."

Mr. SPRINGER. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 6, after the words "sum of," strike out "\$2,500" and insert "\$1,500."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The title was amended so as to read: "A bill for the relief of David Cowan as natural guardian of Gilda Cowan, a minor."

A motion to reconsider was laid on the table.

PRESENTATION OF SILVER MEDALS TO CERTAIN MEMBERS OF THE PEARY POLAR EXPEDITION OF 1908-9

The Clerk called the next bill, S. 184, to provide for the presentation of silver medals to certain members of the Peary Polar Expedition of 1908-9.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to cause to be made, at a United States mint, silver medals of an appropriate design to be presented, in the name of Congress, to Matthew A. Henson, Capt. Robert A. Bartlett, Ross G. Marvin, Dr. John W. Goodsell, George Borup, and Donald B. MacMillan, in recognition of their efforts and services, as members of the Peary Polar Expedition of 1908-9, in the field of science and for the cause of polar exploration, by aiding in the discovery of the North Pole by Admiral Peary.

SEC. 2. If any of such persons has died, the Secretary of the Navy is authorized to make the award posthumously by presenting such a medal to the widow or other member of the family of such deceased person.

SEC. 3. There is hereby authorized to be appropriated the sum of \$500, or so much thereof as may be necessary, for carrying out the provisions of this act.

With the following committee amendment:

Page 2, line 8, strike out "\$500" and insert in lieu thereof "\$750."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO CONVEY TO JOSE C. ROMERO ALL RIGHT, TITLE, AND INTEREST TO CERTAIN PROPERTY IN CARSON NATIONAL FOREST, N. MEX.

The Clerk called the next bill, S. 1488, to authorize the Secretary of the Interior to convey to Jose C. Romero all right, title, and interest of the United States in a certain described tract of land within the Carson National Forest, N. Mex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in recognition of the following facts (1) that Jose C. Romero, of Trampas, N. Mex., had by purchase and possession established a major equitable interest in certain lands comprising a portion of the Las Trampas grant prior to the acquisition of said grant by the United States through an exchange consummated under the provisions of the act of June 7, 1924 (43 Stat. 643), whereby said grant became a part of the Carson National Forest, (2) that the said area purchased and possessed by the said Jose C. Romero has been specifically delineated by a survey commenced June 16, 1941, and completed June 18, 1941, by Aaron F. Jones, senior engineering aide, of the Forest

Service, United States Department of Agriculture, whose field notes of said survey have been accepted and filed by said Department and show the area claimed by said Jose C. Romero to be 12³²/₁₀₀ acres, and (3) the said Forest Service has found and stated that the equities of the said Jose C. Romero are such as to warrant conveyance to him of title to the said described 12³²/₁₀₀ acres of land, the Secretary of the Interior be, and he hereby is, authorized and directed on behalf of the United States to execute a quit-claim deed conveying to the said Jose C. Romero, his heirs, successors, or assigns, all right, title, and interest which the United States now hold in the said described lands.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVE HOUGARDY

The Clerk called the next bill, H. R. 443, for the relief of Dave Hougaard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dave Hougaard, Renton, Wash., the sum of \$2,000. The payment of such sum shall be in full settlement of all claims against the United States for damages arising out of the death by drowning of Teddy Hougaard, 8-year-old son of the said Dave Hougaard, on August 5, 1938, when he fell from an unprotected foot log built by employees of the Forest Service of the Department of Agriculture in The Dalles Campground of the Snoqualmie National Forest, Wash.

With the following committee amendment:

At the end of the bill, insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUMMERTON CONSOLIDATED SCHOOL DISTRICT, GA.

The Clerk called the next bill, H. R. 3062, for the relief of the board of trustees, Summerville Consolidated School District, Chattooga County, Ga.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER, Mr. GRANT of Indiana, and Mr. BUFFETT objected and, under the rule, the bill was recommitted to the Committee on Claims.

MOSES TENNENBAUM

The Clerk called the next bill, H. R. 2456, for the relief of Moses Tennenbaum.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Moses Tennenbaum, of Poland, now residing at 552 Nep-

tuno, Habana, Cuba, shall be admitted to the United States of America for permanent residence here notwithstanding any provision of the immigration laws of the United States now in effect. That upon the enactment of this act into law the Secretary of State is directed to authorize the proper consul to issue proper visa to Moses Tennenbaum without compliance with the usual requirements.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BARDEN. Mr. Speaker, that concludes the call of the Private Calendar.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address recently delivered by Rear Admiral Denfeld.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

MUSTERING-OUT PAY BILL OF 1944

Mr. SABATH. Mr. Speaker, I call up House Resolution 398, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Military Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

(Mr. SABATH asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. SABATH. Mr. Speaker, I shall later yield 30 minutes to the gentleman from New York [Mr. FISH], and now yield myself 10 minutes.

Mr. Speaker, this rule makes in order the consideration of the mustering-out pay bill. It provides for 2 hours of general debate. I know some gentleman will be disappointed that the Committee on Rules did not bring in a closed or gag rule. This is an open rule, giving every Member who so desires an opportunity to offer an amendment to the bill, because

the bill will be read for amendment under the 5-minute rule.

The rule makes in order the consideration of the Senate bill, which, however, has been amended by the House Committee on Military Affairs by striking out all after the enacting clause and substituting for it its own bill, to which that committee has given real and careful consideration lasting many days.

Although at times I might have found fault with the way the Committee on Military Affairs has reported its bills, this time I am foreclosed from criticizing, and am obliged to say to the House that to my mind the committee has prepared a very enlightening and intelligent report, giving the membership full and complete information as to what the House bill provides and also what the original Senate bill provided.

I myself am ready to go as far as anybody for the men who have been mustered out. I am willing to be as liberal as anybody. But this is only the beginning of what is contemplated to be done for our armed forces. Not only the President but we are interested in taking care of all those who have served and are serving our Nation.

The Senate bill as passed hurriedly would have cost the Government over \$5,000,000,000. The House bill will cost about \$3,600,000,000. The reduction is due not only to the fact that the amount of the pay provided for the men who have been mustered out has been reduced but the fact that the Committee on Military Affairs has wisely eliminated pay to those who, it is believed, are not entitled to any mustering-out pay, such as officers above the grade of captain, who are drawing \$5,000 or \$6,000 a year, and many persons who will immediately be on the pay roll of the Government. The committee has also eliminated those who of their own free will asked to be released to enter remunerative employment which will provide for them immediately sufficient income so that they will not need any of this pay, because many of these men are earning much more than they earned before they enlisted. Also to be excepted from receiving mustering-out payments will be those members of our armed forces who are entitled to receive retirement pay following their discharge or relief from active service and such Air Corps Reserve officers who are entitled to receive a lump-sum payment under the act of June 16, 1936, as amended; members of the armed forces who have served only under Army specialized-training program, or similar programs under the jurisdiction of the Navy, Marine Corps, or the Coast Guard.

I understand that the chairman of the Committee on Military Affairs also feels that he should, and that he will offer an amendment in time respecting all those Government employees who have civilian service status, and who immediately after being mustered out can go back and will return to their old positions, without loss in time or in pay. I think the House bill is a splendid bill.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. HOFFMAN. If we put this bill through, will the soldiers get this muster-

ing-out pay before they are given an opportunity to vote?

Mr. SABATH. I am satisfied that they will, because it is provided that they shall be paid when they are mustered out and, furthermore, I say to the gentleman from Michigan, that I hope that they will have a real right and an opportunity to vote when the time comes, and in that connection I say that the chairman of the Rules Committee has not delayed the consideration of that bill, because the chairman of the Rules Committee introduced the very first bill of that kind.

Mr. HOFFMAN. Oh, I make the point of order that the gentleman is not now speaking to the matter under consideration.

Mr. SABATH. I have answered the gentleman and am answering the question that he propounded to me. He tried to infer that I might be responsible for the delay in the consideration of the servicemen's vote bill.

Mr. HOFFMAN. I did not infer anything of the kind. I know the gentleman wants the soldiers to have a vote but that he cannot get to it. That is all.

Mr. SABATH. So the benefits under this bill will be followed by benefits also of giving them a real right to vote, a real opportunity to vote, in a manner I feel they are entitled to under our Constitution.

Mr. MICHENNER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. MICHENNER. I am sure that our distinguished chairman wants the soldiers to vote, and I am especially impressed with his statement that he wants them to cast a real ballot. I take it the chairman wants to make it possible for those men and women in the service to vote for everybody from the President to the coroner.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SABATH. I yield myself 3 minutes more. Mr. Speaker, I do not know whether the Congress has jurisdiction to say how they can vote for a coroner, constable, or for any county officer. I know that the Congress has jurisdiction to act on and legislate on the election of the President, the Vice President, and Senators and Representatives. I do not know where the Congress has any right to interfere in any State, county, city, or municipal election. That is my position. I do not at this time wish delay. I think I have explained the bill that is before us, feeling that the chairman of the Committee on Military Affairs and the other members of that committee on both sides can do that much more clearly and intelligently than I can, so that there can be no misunderstanding as to the effect of the provisions of the bill. I repeat, and I am willing to go as far as any man, but we must recognize also our responsibility to the taxpayers, and if my friend from Pennsylvania, a former Member, Mr. Rich, were with us today, I know that he would rise in his seat and ask, "Where are you going to get the money?" Since that time conditions have changed, and we are raising greater revenues than ever before. That also re-

minds me of the gentleman from Tennessee, a former Member, with whom I had the pleasure of serving years ago, who voted for every appropriation and for every amendment increasing appropriations—he did not care what the amendment might be—but on the other hand always refused to vote for any tax or revenue bill.

In conclusion, I wish gentlemen before me had been present at the Rules Committee meeting when the gentleman from Missouri [Mr. SHORT] appeared, and that you could have heard the strong statements he made. I believe that we will have a sound bill with which the mustered-out men will be satisfied and happy.

The SPEAKER pro tempore. The time of the gentleman from Illinois has again expired.

Mr. SABATH. Mr. Speaker, I now yield 30 minutes to the gentleman from New York [Mr. FISH], and later on I may yield so much time as may be desired by the gentleman from Kentucky [Mr. MAY], chairman of the Committee on Military Affairs.

Mr. FISH. Mr. Speaker, I yield myself 10 minutes.

This bill comes before the Congress with the unanimous report of the Committee on Rules. I understand that before that it had a unanimous report from the Committee on Military Affairs. The bill is a very simple measure. It had most careful consideration by the Committee on Military Affairs, whose main object was to refer to us some legislation that would be adequate and constitute fair treatment of our veterans who will eventually be mustered out of the service, as some of them have already been to the number of approximately 1,000,-000.

Undoubtedly, this will become a controversial piece of legislation when it is taken up under the 5-minute rule. There are some Members who believe that the amount carried in the bill should be doubled or trebled, but we have got to consider the whole problem. This is a mustering-out pay bill. It has nothing to do with adjusted compensation or with hospitalization, rehabilitation, or with insurance, or with vocational or educational training that may follow later on for our soldiers. It is a mere mustering-out pay bill. I do not want to preclude myself by saying in advance that I will not favor certain amendments that may be offered until they have been offered and discussed.

I know one amendment that I will support and if someone else does not offer the amendment I will offer it myself. That is to do away with that provision that implies that those veterans of 38 years of age who are honorably discharged at their own request are ineligible to receive any of this mustering-out pay. I cannot understand the reason or the logic by which that provision was put into this bill. In my humble opinion those who were 38 years of age and retired or were given honorable discharges are even more entitled to compensation from the Government than any other single group, for most of those of 38 years of age were married men and were engaged in business and made far

larger economic and financial sacrifices than the boys between 18 and 30. Yet for one reason or another they have been excluded from the provisions of the bill. If that precedent is allowed and permitted to continue they will probably be excluded from the adjusted compensation measures that will follow. Now, Mr. Speaker, this is no picayune legislation. It is a very simple bill, and gives \$300 to most of the veterans who will be mustered out, to be used, of course, to get civilian clothes and to take care of themselves until they get jobs. It is not meant to be adjusted compensation.

But the chairman of the Rules Committee well said, "Where are you going to get the money?" This bill that some Members of the House are complaining about and saying it is not enough and that we are not doing the square thing by the veterans; we should double it or triple it, this little measure, mark you, will cost the taxpayers \$3,600,000,000.

A few minutes ago I sent to the Veterans' Administration to find out how much the adjusted service certificates or adjusted service compensation of World War No. 1 cost, over which we had a tremendous fight going on for years and on which we finally had to override two or three presidential vetoes. I find that this simple, little measure which it is complained is not enough for the veterans, costs exactly the same or approximately the same as adjusted service compensation of the last war. It is stated or estimated that this will cost \$3,600,000,-000. The adjusted service compensation cost \$3,851,987,605.40. And yet there are those who say that we must double and triple it. I am giving you these figures without making any commitment myself. I am inclined to think this is the proper thing to do, to be followed later by adjusted compensation and educational provisions and other benefits for the veterans of World War No. 2.

Mr. SABATH. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. SABATH. This, however, only applies to those that have been mustered out. We have a little over 10,000,000 in the services now and it is expected there will be about 15,000,000 before we are through. So the amount that it will cost will be increased tremendously before all these men are mustered out.

Mr. FISH. That is probably true. We have between 10,000,000 and 11,000,000 men in the services now. One million have already been discharged. That is the purpose of this bill now, to speed it up so they will be taken care of. And there will be another million discharged during this year. So maybe it will probably be about 15,000,000 that will be eligible for this type of mustering-out pay. It might be well also to note that we have spent \$14,000,000,000 for the veterans of World War No. 1 in the last 25 years. I have estimated that the size of our present Army and the benefits that have been provided for and which undoubtedly will be provided for, will cost over \$50,000,000 in the next 25 years, based on this legislation, that is, not increasing other legislation that the House and Congress

and the American people more or less are agreed to in advance.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. DONDERO. Has the Veterans' Administration taken any position in regard to the bill before us?

Mr. FISH. The Veterans' Administration has been heard on the measure. I do not know exactly their position. I would prefer you ask that of some member of the committee who was at the hearings. This is compromise legislation, of course, and the committee is evidently trying to do the fair thing.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. ROBSION of Kentucky. What is the report, if any, from the Director of the Bureau of the Budget on the matter?

Mr. FISH. I have not seen the report of the Budget Bureau. I should suppose the Director of the Bureau of the Budget would be dizzy, or will be, when he sees the staggering amounts involved. But I will say to this House that it is far easier for me to vote this \$3,600,000,000 to take care of our veterans and give them a little nest egg when they come home, so they can have time to find a job, than it will be to vote for \$1,350,000,000 in a few days from now to supply relief to foreign countries in a war which we did not start. Yet that bill of \$1,350,000,000 will immediately follow from the Rules Committee this particular bill providing a mustering-out pay for our soldiers.

I am in favor of this bill. Whether I am willing to go any further I do not know until I hear the arguments. I think it is a fair bill so far. This piece of veteran legislation is probably about all we shall put through until we take up the question of adjusted compensation and educational training.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

The SPEAKER pro tempore. The gentleman from New York is recognized for 5 additional minutes.

Mr. FISH. Mr. Speaker, I ask unanimous consent to speak for 2 minutes out of order during the 5 minutes remaining.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I introduced today a bill providing for the establishment of a single department to administer all war veterans' affairs and to be headed by a secretary of veterans' security who will automatically become a member of the Cabinet. The handling of veterans' rehabilitation and the administration of the congressional acts providing for hospitalization, educational and vocational training, compensation, insurance, and pensions for the veterans of all our wars, will involve at least 16,000,000 veterans after the advent of peace, and the actual work, responsibility, and cost will be on a gigantic scale. It is difficult to estimate what the annual cost will be, once the war has been won, to carry out the pro-

gram of rehabilitation and vocational training for the disabled, and 1 or more years of educational training for the able-bodied, the payment of compensation and pensions to various groups of veterans, and all the other functions and facilities required by law. It will exceed \$2,000,000,000 a year at the outset and by far the costliest department of the Government in time of peace. The first year—with the mustering-out pay and possibly job insurance—will probably reach the unprecedented peacetime total of \$7,000,000,000 annually, or the cost of running the war for 30 days. I estimate that it will cost \$50,000,000,000 within the next 25 years, or one-sixth of the total war expenditures.

I can see many reasons for quick action by Congress to enact legislation for a secretary of veterans' security to administer under a single department all war-veteran relief and benefits whereas there is no valid reason against the establishment of such a department. I shall ask for immediate hearings before the Veterans' Legislation Committee on my bill and will expedite action with the hope of having it enacted into law before Congress adjourns around July 1.

There are now approximately 1,000,000 honorably discharged veterans of World War No. 2 and they are increasing at a rate of 60,000 a month.

I placed that bill in the hopper this morning, and I hope it will be taken up reasonably soon and considered by the committee and by the House.

Mr. Speaker, at the proper time, under the 5-minute rule, I hope some member of the committee will offer an amendment to do away with that provision that excludes those men 38 years of age and over from mustering-out pay. If it is not done by some member of the committee, then I propose to offer that amendment myself, because I think it is absolutely ill-advised and ill-considered, and amounts to rank injustice to those men over 38 years of age, who were advised by the War Department that they were not needed, that the hospitals were filled with soldiers over 38 years of age, and it was against the interest and the conduct of the war. They were advised in writing to that effect, and they got out with the consent of the War Department, and with the cooperation of the War Department and of the Congress, and in the interest of the conduct of the war. They should not be excluded.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. SCRIVNER. To what provision of the bill is the gentleman referring? I do not find that anywhere.

Mr. FISH. I do not have the bill before me right now.

Mr. LANE. Will the gentleman yield to me to answer that question?

Mr. FISH. I yield to the gentleman from Massachusetts.

Mr. LANE. When the gentleman referred to those over 38 years of age, he was referring to section 1, paragraph 3, of the bill, in which it provides that no mustering-out pay shall be allowed for those who requested discharge for the purpose of securing employment.

Mr. FISH. I protested it only yesterday in the Rules Committee. - It was aimed at those men over 38 years of age. I submit that those men are more entitled to financial assistance than any other group, because they lost their business; they had large investments, and they had to go into the service. They were drafted into the service. Naturally the Army was only too glad to get rid of them, because they found they were too old.

Mr. CUNNINGHAM. Will the gentleman yield?

Mr. FISH. I yield.

Mr. CUNNINGHAM. Section 3, on page 8, provides that they be paid mustering-out pay.

Mr. FISH. I am delighted, if that is true. I am not interested in amending any bill but only in a square deal and justice for these older veterans. I am interested in getting the facts and knowing exactly what is in the bill. Before the Rules Committee yesterday, members of the Military Affairs Committee said it was in the bill, and that men of 38 years of age would not get a penny of the mustering-out pay who have already been discharged by their own request. If that is true, that is not only unfair, but you are establishing a precedent that they could not qualify for adjusted compensation or other benefits. So it is important to understand exactly what the bill provides.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

CONSTRUCTION OF PUBLIC WORKS BY THE NAVY DEPARTMENT

Mr. VINSON of Georgia submitted the following conference report and statement on the bill (H. R. 3741) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, for printing in the RECORD:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3741) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment number 4.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, and 6 and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "\$281,060,000"; and the Senate agree to the same.

CARL VINSON,
MELVIN J. MAAS,

Managers on the part of the House.

DAVID I. WALSH,
MILLARD E. TYDINGS,

JAMES J. DAVIS,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the

Senate to the bill (H. R. 3741) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: This amendment increases by \$23,000,000 the amount provided in the bill as it passed the House for aviation facilities, making the amount to be authorized \$50,000,000.

Amendment No. 2: This amendment increases by \$3,000,000 the amount provided in the bill as it passed the House, authorizing a total of \$23,000,000 for storage facilities.

Amendment No. 3: This amendment increases by \$20,000,000 the amount provided in the bill as it passed the House, making a total authorization of \$92,000,000 for ordnance facilities.

Amendment No. 4: In this amendment the Senate reduced by \$10,000,000 the amount provided in the bill as it passed the House for miscellaneous structures. The conferees restored this \$10,000,000 to make the total authorized for this item \$14,000,000, which is the amount provided in the bill as it passed the House.

Amendment No. 5: This amendment corrects the total cost as provided in the bill to agree with the sums provided under the individual items.

Amendment No. 6: This amendment was added in the Senate and authorizes the Secretary of the Navy to enter into contracts under the appropriation "Public works, Bureau of Yards and Docks" for public-works equipment, materials, and construction, to the extent of the total cost authorized in the bill.

CARL VINSON,
MELVIN J. MAAS,
Managers on the part of the House.

CALL OF THE HOUSE

Mr. THOMAS of New Jersey. Mr. Speaker, I made the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. SPARKMAN). The gentleman from New Jersey makes the point of order that a quorum is not present. Evidently, a quorum is not present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll. No. 2]

| | | |
|--------------|----------------|---------------|
| Baldwin, Md. | Granger | Magnuson |
| Bland | Halleck | Maloney |
| Buckley | Hare | Morrison, La. |
| Burch, Va. | Harness, Ind. | Mott |
| Chapman | Hart | Newsome |
| Chiperfield | Hébert | Norton |
| Clark | Howell | O'Leary |
| Cravens | Jackson | Rivers |
| Dewey | Johnson, Okla. | Sasscer |
| Dirksen | Johnson, Ward | Schuetz |
| Domeneaux | Jones | Scott |
| Eberhardt | Kleberg | Simpson, Ill. |
| Fitzpatrick | LaFollette | Simpson, Pa. |
| Forand | Landis | West |
| Ford | Larcade | Whelchel, Ga. |
| Fuller | Lesinski | Wigglesworth |
| Furlong | Luce | Winter |
| Gale | Ludlow | Woodrum, Va. |
| Gamble, | McKenzie | |
| Gavin | McMurray | |

The SPEAKER pro tempore (Mr. SPARKMAN). On this roll call 369 Members have answered to their names, a quorum.

Further proceedings, under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made a few moments ago and include therein a radio address I delivered on last Friday night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by a former colleague of ours, the Honorable John M. Houston, on the subject The National Labor Relations Board in Retrospect and Prospect.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

MUSTERING-OUT PAYMENT BILL OF 1944

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. LANE].

(Mr. LANE asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. LANE. Mr. Speaker, our people are virtually unanimous in the opinion that all veterans of this war shall receive some form of mustering-out pay. It is the will of the Nation that we express in this manner some small measure of our gratitude and obligation.

In principle we are united; in execution we are somewhat divided. Serious questions have been raised as to whether the pay scale of the bill before the House is just and equitable.

The Congressional Committee for Immediate and Adequate Mustering-Out Pay, better known as the Lemke committee, in order to correct obvious weaknesses in the May bill, seeks to replace section 2 of the original bill with the following section 2:

SEC. 2. The Secretary of War and the Secretary of the Navy are hereby authorized and directed to pay \$100 as mustering-out pay and to continue the regular pay to any veteran, as herein defined, that has been or may hereafter be honorably discharged from the armed forces on the basis of the pay of a private in the Army, or an apprentice seaman in the Navy, as follows: A veteran who has served 1 month, but less than 3 months, for an additional 3 months; one who has served for less than 6 months, but more than 3 months, an additional 6 months, one who has served for less than 9 months, but more than 6 months, for an additional 9 months; one who has served 9 months or more, for an additional 12 months.

Any mustering-out pay bill, to be acceptable to the millions of veterans and to the general public, must be on a graduated basis; its terms must be proportionate to the individual's period of service. We must ever bear in mind that these men and women gave up every civilian comfort and advantage to meet the effort and restraints on individual liberties which military discipline imposes. At the same time, others of their own age groups, while enjoying the freedoms

of civilian life, were earning wages far in excess of their normal earning capacities. We spoke of total war—of equality of service—of united effort—but this was a hope and not a reality. I hesitate even to compare the efforts of our civilians, excellent as they are, with those of the men and women in uniform, for the contrast brings to light, painful extremes.

If we wish our soldiers and sailors to believe that they are fighting a people's war, we must be just and consistent in our legislation concerning them. For out of this multitude of men and women who are saving the Nation, will come the leaders of tomorrow. Conscious of the example which we offer to our inheritors, let us not incite the cynicism and distrust of democratic processes, which ill-advised legislation has so often nourished.

The men and women in this war are laboring under no illusions. They are doing a job which they dislike intensely, but they realize it has to be done. They are watching and thinking, wondering what their service will mean to a nation which says it is grateful. The insistent demands of war have uprooted them from familiar surroundings. The necessities of war are training them in a routine completely at variance with their normal activities. Can we honestly expect to change a law-abiding citizen into a soldier trained to kill, then back to a good citizen again without causing serious dislocations in the economic and psychological life of that individual? These men and women are anxious to know if there will be a place for them in civilian life when the present job is done. They feel that it will be difficult for them to find a place in the picture again. These men and women do not want the hollow acclaim of parades and testimonials. They want deeds, not words. They believe that a nation's gratitude is best expressed by giving them a moderate reserve to tide them over the change-back period.

In the future, the Congress will formulate legislation of a special character designed to meet the difficult needs of those who are disabled in their country's defense, and rightly so. Our present concern is for the veterans of this war as a whole on the question of the mustering-out pay bill.

Whatever emolument we decide to confer will fall far short of the material debt we owe to them. Our spiritual debt is incalculable beyond reckoning.

The immediate problem is that of material assistance. For a considerable time after a veteran leaves the service, he feels lost. The old routine, difficult as it was, is gone. Changes have taken place in his community, even in his personal relationships, during his enforced absence. It takes time for him to bridge the gap of changed conditions and fit himself back into a civilian routine. It is our responsibility to assist him over that bewildering transitional interim.

The longer he has been in uniform, the more difficult is his problem. Therefore, we submit, the basis of "readjustment pay," to coin an expression, should be governed somewhat by the length of time he has been in uniform.

A mere pittance will not solve his problem. It will not justify the faith he has in his Government. It will, on the other hand, lower the dignity of this House in the eyes of a nation which is keenly aware of all that these men and women have given to their country.

We have approached this problem in the light of the veteran's own conception of his needs. We are certain that the clear-thinking American soldier will consider this Lemke amendment as fair and sufficient for himself and his buddies, because it is a sliding-scale measure, without oversights or disproportionate gaps. Broadly outlined, we seek to establish the sum of \$—— as the minimum and \$—— as the maximum.

This amendment also seeks to remedy a glaring omission in the May bill, which, inadvertently or otherwise, discriminates unjustly against the veteran over 38, who was released by the services as being over age to accept employment.

The military authorities, as well as the men themselves, will tell you that men over age were constantly fatigued. Younger men can be dog tired, yet they can bounce back with an amazing resilience which older men do not possess. It was doubly difficult for these older men because the physical demands were extreme. Many of them came from sedentary occupations and, when suddenly projected into a program of arduous physical training in the field collapsed.

Many of them had home responsibilities as well, which they were forced to sacrifice. Some of these 40-year olds had executive positions in civilian life, yet they were forced to take orders from mere striplings. Let us try to put ourselves in the position of these men. I simply ask the Members of the House to imagine how they would react, if they had to take orders from a "noncom" barely out of high school. Perhaps, we can understand the psychological shock of such an experience, for the armed services often pooled 20- and 40-year olds with confusion. These men suffered humiliations that a younger man could not possibly experience.

The military and naval authorities observed that physical training for combat was too strenuous for these men and they were encouraged to leave the armed services in order to best serve the war effort in essential civilian activities. They were induced to retire at the suggestion of a Government which originally drafted them.

Why, why should we ignore these older men for whom service was a greater hardship than it was for younger men?

There is utterly no reason for such discrimination. It would divide serviceman against serviceman and justifiably embitter hundreds of thousands of men who did wear the common uniform of service.

These men were called—they answered—they served. They went through basic training, they did K. P. and guard duty, drilled, and hiked—some received combat training and a few went overseas.

The Army and Navy found that sickness in the over-age group was much higher than in the younger groups. Because of the operation of natural laws,

obviously beyond their control, these men did not have the stamina for continuing military service.

Shall they be penalized for this? Are we, the Congress, to say that a younger man who served 60 or even 30 days, shall receive mustering-out pay—yet a man over 38, in the same uniform, who served upwards of a year or more, shall receive none because he was discharged to accept employment?

Mr. Speaker, this does not make sense. Let us not give the lie to men over 38 by saying, in effect, "You did not serve."

Let us rather give to all who are or were in uniform during this conflict, mustering-out pay on the proportionate basis of the time they gave to their country's service.

Let us rectify these injustices by voting for the Lemke amendment.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New York [Mr. KENNEDY] such time as he may desire.

Mr. KENNEDY. Mr. Speaker, as a Representative in Congress from New York City, I am delighted to join with all the other friends of the men and women in the armed forces in an endeavor to have enacted into law Senate bill 1543, entitled "Mustering-Out Payment Act of 1944." This bill was passed in the Senate on December 17, 1943.

While the amounts provided by this act are not large, they may be considered as a slight token of the gratitude of the American people for the gallant service of our boys and girls in uniform. On this basis, I think our people in service will accept the sums allowed in the bill in the typical American spirit.

At the proper time I shall suggest two amendments, one to section 2, on page 7, line 22, and the other to section 5, page 9, lines 11 to 13. My first amendment will provide for a single payment of the mustering-out pay instead of three payments, and my second amendment will provide for an appeal, which is now specifically prohibited, from the decisions of the Secretary of the Navy and the Secretary of War in matters involving the payment of the mustering-out allowances.

I would like the membership to study these proposed amendments, which I consider important amendments, and vote for their adoption.

There are many legislative proposals now before the various committees of Congress which would, if passed, supplement the existing veterans' laws. Some of them will and should be enacted into law. Because of the misunderstanding that exists concerning the benefits presently available to our armed forces, I should like, at this point, to mention a few of the many benefits in order of their importance.

HOSPITALIZATION AND REHABILITATION

A person who is injured or who becomes ill in service is afforded the best of medical care and attention in the Army or Navy hospitals as the case may be. Upon his complete recovery, he is restored to active duty. If he cannot be so rehabilitated and requires extensive hospitalization, he is discharged directly to a Veterans' Administration facility for

such hospitalization. If further hospitalization is not necessary, then he may be discharged to go home.

Hospitalization and domiciliary care are available to World War No. 2 veterans in Veterans' Administration facilities for service or non-service-connected disabilities as hereinafter explained in more detail. The Veterans' Administration has 93 facilities throughout the States of the Union and plans now being completed or under way are expected to furnish adequate beds to meet the load of all veterans eligible under laws administered by the Veterans' Administration.

If, as a result of his disability, he has a vocational handicap to prevent him from returning to employment, he is eligible to vocational training upon application to the Veterans' Administration, and upon completion of such training he is entitled to assistance in securing a position for which he has been trained.

Under State laws with Federal contribution, vocational training is afforded returning disabled veterans where disability is not due to service, and provision is made for training of handicapped civilians generally.

PENSION

For a service-incurred disability, pension may be payable in amounts varying from \$10 per month for 10 percent disability to \$100 per month for total disability, with additional allowances for specific injuries or losses to a maximum in some cases of \$250 per month. Cooperative arrangements have been undertaken by the Veterans' Administration, War and Navy Departments. The War and Navy Departments have authorized the Veterans' Administration to function at military and naval installations for the purpose of facilitating the processing of pension claims of military personnel discharged on a certificate of disability for discharge. Veterans' Administration personnel will be assigned to installations from which men are discharged in large numbers. Every effort will be made by the War and Navy Departments to see that all clinical and service records necessary are made available to the Veterans' Administration as promptly as possible. But where there is encountered any delay in securing records from overseas, a procedure is being established whereby ratings will be made for disabilities obviously due to service and with provision that a full adjudication of all disabilities will be had later when all the records in the individual case are available. It will have to be borne in mind that pension is not payable in advance, but that checks are mailed on the 1st of each month for the amount due for the preceding month or any part thereof.

INSURANCE

Every man who was in or who entered the active service on or after October 8, 1940, was, by law, afforded opportunity to secure not to exceed \$10,000 national service life insurance upon application without medical examination prior to the expiration of 120 days from entrance into active service. This insurance was

provided by the Government at peace-time rates with no additional cost for the war-risk hazard or the cost of administration. The rates were, therefore very low. Some 11,000,000 persons have availed themselves of this insurance, the policies averaging approximately \$9,000 per insured, or a total of over \$99,000,000 insurance. During service, premiums may be paid by allotments or deductions from pay, and after separation from the service they may be continued by direct remittance to the Veterans' Administration. The insurance provides for waiver of premiums if the insured is totally disabled, and for maturity upon death, in which latter event payments are made to the designated beneficiaries monthly as annuity or for a definite number of installments. Arrangements heretofore made with respect to discharging disabled service persons directly to Administration hospitals and those being affected will insure that every person being discharged from the service for disability will have an opportunity to indicate his desire to maintain his insurance in full force and effect either by filing application for waiver of premiums if totally disabled, or by tender of the premiums as due.

Based upon World War No. 1 experience in connection with war risk term insurance, the premium charged covers only one-fifth of the risk.

REEMPLOYMENT

Under section 8 of the Selective Training and Service Act of 1940, as amended, employment rights are preserved for persons entering the military and naval forces of the United States who occupied permanent positions at the time of their entrance into the service. These provisions are administered through the Employment Division of Selective Service. If any private employer fails or refuses to restore the veteran to a former or similar position, the district court of the United States for the district in which the private employer maintains a place of business shall have the power to require such employer to comply with the provisions of the law and to compensate the veteran for loss of wages or benefits suffered by reason of such employer's unlawful action. The court is required by the act to order a speedy hearing in any such case and advance it on the calendar, and the United States district attorney is directed to appear and act as an attorney for the veteran. No fees or court costs shall be taxed against the veteran for finding such relief. In cooperation with the United States Employment Service, Veterans' Placement Service, local agents and veterans and civic organizations are in direct contact with the local selective service boards and the State unemployment agencies. The committee had interesting testimony to the effect that the State unemployment insurance funds are in excellent condition and have ample reserves to afford unemployment insurance under the State laws to those entitled thereto under such laws, but that very few discharged veterans have applied for unemployment benefits.

BURIALS

Expenses of burial and funeral and transportation of the body, including preparation of the body, to the place of burial in an amount not exceeding \$100 are authorized under laws administered by the Veterans' Administration for honorably discharged veterans. Those dying in service are afforded military funerals. If the burial be beyond the continental limits of the United States, determination will be made after the end of the war whether the body will be brought to the United States for interment. In the case of burial of a person dying in service or an honorably discharged person, a flag to drape the coffin is supplied, and after burial is then given to the next of kin. Interment in Arlington or other national cemeteries is authorized for honorably discharged veterans and certain members of their families under certain conditions. Headstones will be furnished for graves of veterans who rendered honorable service, upon application to the Quartermaster General, United States Army, Washington, D. C. Burial flags may be issued by any county seat, post office, or field office of the Veterans' Administration on application by relatives or undertakers who desire to secure an American flag with which to drape the casket of an honorably discharged veteran of any war, and under recent act of Congress for memorial services for those dying in service overseas where no flag is supplied by the Army or Navy.

DEATH BENEFITS

Upon death in service, a veteran's dependent or designated next of kin is entitled to 6 months' pay death gratuity, and if death is due to service or to disability incurred in service, the widow, child, or children and dependent parent or parents of the deceased service person are entitled to pension benefits upon application to the Veterans' Administration. The rates and other details with respect to all of these benefits are contained in the detailed report appended hereto. Under existing law, the Federal departments and agencies are authorized to continue pay and allowances of officers, enlisted men, and employees missing, missing in action, interned in a neutral country, or captured by an enemy for reasonable periods, with administrative provision in regard thereto.

Mr. Speaker, I shall continue my efforts, as I have throughout my legislative service, since 1924, here in Washington and in the State legislature at Albany, to obtain for our veterans every possible benefit consistent with good government. My office and my personal services are always available to any veteran from any town in the good old U. S. A.

I am sure we will pass the bill now before the House, and, in casting my vote for Senate 1543, I do so with the absolute assurance that my vote has the approval of every decent grateful citizen in my district.

Mr. FISH. Mr. Speaker, I yield 6 minutes to the gentleman from North Dakota [Mr. LEMKE].

MR. LEMKE. Mr. Speaker, America's generosity is on trial. The question is, How much or how little shall we do to assist our discharged soldiers in getting back into civilian life?

Long ago I have observed that as a people we are always overgenerous with those that are far away. We are overgenerous with foreign nations and foreign peoples. But we have always been overniggardly, over-penny-wise and pound-foolish when we deal with our own people. This is especially true if they consist of a large number.

We voted billions for lend-lease. We issued blank checks for billions for foreign nations. We never asked how lend-lease was going to be spent. At this time I am not finding any fault with that. It may have been necessary. It does seem queer to me, however, that whenever we deal with our own discharged soldiers we suddenly become analytical, over-cautious.

We are so afraid we may give them a penny too much. We search for individual cases in order to excuse our conscience. We raise the hue and cry of the great number. We say there will be 15,000,000 veterans at the end of the war. That it will cost us \$3,500,000,000 to take care of those now discharged. What of it? Is not the work that our boys are doing worth \$10,000,000,000 to us? My answer is that this is no excuse unless it is to ease our conscience for living in a civilization that makes such world catastrophes possible.

Again it cost the Government, at least, \$150 a month to keep a man in the armed forces. There are many that are being kept that should long ago have been discharged. They are not fit and do not perform military service. Why not try some of your economy in bringing about a prompt discharge and then giving enough to the veteran that he can readjust himself to civilian life?

We can still save billions along many lines if we will act promptly without taking it out of our veterans. The President said he hoped that Congress would not let the boys down. My answer is that we do not intend to let them down.

I know that patriotism cannot be bought. I know that we cannot resurrect those who gave their lives in this struggle. I know that we cannot give back a leg, an arm, or a lung to the veteran who has lost it in the protection of his Nation—in your protection. But, I do feel that we can, at least, appreciate that sacrifice.

A nation that does not protect its protectors is unworthy of protection. A nation that does not appreciate patriotism cannot long endure. Patriotism is the feeling that you are a somebody. It is the feeling that you belong to a nation that is not only powerful, but that is interested in your welfare.

The contract between the soldier and his nation is reciprocal. He tacitly agrees to protect the nation even unto death, and the nation tacitly agrees to protect him on his return to civilian life. This is the compact between the nation and the soldier. Without this feeling of security and reciprocity there can be no true patriotism on the part of the soldier.

We never raise the question of how many billions it will cost in materials, in guns, in planes, and in battleships, to win the war. But, when it comes to the human side of our national defense, then we begin figuring how much it will cost and how little we can get away with. I know that the soldiers expect nothing unreasonable. I shall, therefore, offer the following amendment to section 2 of the Senate bill as amended by the Military Affairs Committee of the House:

Sec. 2. The Secretary of War and the Secretary of the Navy are hereby authorized and directed to pay \$100 as mustering-out pay and to continue the regular pay to any veteran, as herein defined, that has been or may hereafter be honorably discharged from the armed forces on the basis of the pay of a private in the Army, or an apprentice seaman in the Navy as follows: A veteran who has served 1 month, but less than 3 months, for an additional 3 months; one who has served for less than 6 months, but more than 3 months, for an additional 6 months; one who has served for less than 9 months, but more than 6 months, for an additional 9 months; one who has served 9 months or more, for an additional 12 months.

Fifty Members are sponsoring this amendment. These Members, together with all of the Members of this House, I am sure, are interested in the human as well as the material side of our national defense. They are interested in the soldiers, the sailors, the marines, and the aviators. These, after all, are our real national defense. Without soldiers, sailors, marines, and aviators, there can be no national defense. Without them, the warships, submarines, and airplanes will be at a standstill and cannon, machine guns, and rifles will remain silent. These Members are interested in the flesh and blood of our national defense.

MR. FISH. Mr. Speaker, I yield 3½ minutes to the gentleman from Ohio [Mr. SMITH].

MR. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER pro tempore. Is there objection?

There was no objection.

MR. SMITH of Ohio. Mr. Speaker, the Congress is about to consider the resolution reported out by the House Committee on Foreign Affairs which proposes to legally establish the United Nations Relief and Rehabilitation Administration.

This is a grandiose, global W. P. A. scheme to scatter our substance to the four corners of the world, covering a land area in excess of 13,000,000 square miles, or more than four times the size of the United States; to a population in excess of 850,000,000, or more than six times that of the United States.

The limitation of \$1,350,000,000 written into the resolution for the operation of the plan has no meaning, as every Member of this body must surely know. Once the scheme were put in operation it would generate its own forces for self-perpetuation and expansion. If this program should cost more than 10 times the amount estimated, nobody would be surprised.

The money to operate the scheme must be provided by the Government printing press which will add to the specter of

inflation and further endanger the future value of every investment dollar, savings dollar, social security dollar, pension dollar, and more especially every dollar invested in United States bonds.

This is just another scheme to give the United States away and to bring about further disintegration of our economy and social order.

But it is far more than that. This resolution actually provides for the surrender to an international body the power to legislate for the United States with or without the consent of any representative of the United States, and the ignoring of Congress entirely.

There is no division of opinion on the question of our willingness to help the starving people in the war-stricken areas, but whatever program of aid we may undertake let it be confined to the absolute necessities—food, clothing, shelter, medicines, and so forth, as was done by us in the other war. That program was eminently successful because it really dealt with the vital needs of the hungry and starving.

But the program projected in House Joint Resolution 192 is something different. It is one of the very worst proposals for legislation ever brought before this Congress. A vote for it is a vote for dictatorship and the surrender of United States sovereignty to foreign nations.

The great cry of the people throughout our land now is that Congress give more attention to our own interests and less to those of foreigners.

MR. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ROLPH].

MR. ROLPH. Mr. Speaker, have we forgotten those bemoded veterans of World War No. 1 standing on corners peddling apples? Have we forgotten their struggle in becoming readjusted to civilian life? Have we forgotten the millions of heartaches throughout this broad land of ours? Of course not. We remember those incidents all too vividly. We must not have a repetition. The discharged veterans deserve adequate and immediate mustering-out pay. They are entitled to fair treatment. They require it urgently in returning to civilian life.

One constituent telegraphs as follows:

As a veteran of World War No. 1, I know what it means for a soldier to try to return to civilian life without sufficient means to make the adjustment and become rehabilitated.

I repeat, "without sufficient means to make the adjustment and become rehabilitated."

In this Chamber last Friday—January 14, 1944—I said, in my opinion, the figures of \$100 and \$300, as recommended by the committee, are inadequate. How in the world can anyone get readjusted on \$300? What can he do on \$100? When you try to see how far anyone can get on \$100 it begins to look absurd.

Mr. Speaker, why not be sensible about this proposition and make it possible for these loyal, patriotic citizens of ours to get a proper start? Here we are a Nation with wealth beyond the dreams of Midas. Here we are calling ourselves the most enlightened people in all history. Here we are appropriating billions upon bil-

lions for peoples of other lands, and still we are hesitating about our own.

When the bill is being read an amendment will be offered by the gentleman from North Dakota, Representative LEMPKE, specifying certain amounts which, while still far from sufficient, will be more in keeping with American ideas of a square deal. I hope my colleagues will join with me in voting for Congressman LEMPKE's amendment.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the balance of the time to the gentleman from Wisconsin [Mr. SAUTHOFF].

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. SAUTHOFF] is recognized for 3 minutes.

(By unanimous consent, Mr. SAUTHOFF was given permission to revise and extend his remarks.)

Mr. SAUTHOFF. Mr. Speaker, for almost 30 years many men and women have been seeking a formula to take the profits out of war. Various formulas have been suggested:

First. Government ownership of munitions plants.

Second. Six percent profit on investment.

Third. Sauthoff plan to freeze all prices and profits and wages as of time of declaration of war.

The First World War created 23,000 new millionaires. Efforts to prevent similar results in this war resulted in—

First. Excess-profits tax.

Second. Renegotiation Act.

Tax dodgers have avoided 1 year's excess profits taxes with Rumml plan and are now nullifying the entire tax programs by junking the Renegotiation Act, as set forth in the majority report of the Senate Finance Committee. Purpose—a sales tax.

Examples on above:

Instead of a revenue act for 1943 it should be entitled "A Plan for the Relief of War Profiteers." If we want to forgive any taxes, why not forgive the 1 year's income tax due from young men inducted into service and thereby relieve them of a burden which will be hanging over them as soon as the war is over. I am introducing a bill to that effect.

FOR THE RELIEF OF WAR PROFITEERS

Human life seems to be the cheapest thing in the world, while money seems to be the most precious. You can pass a bill through Congress in a day to conscript men, but we have not been able to conscript money in 25 years of effort and during two world wars. You can even raise a universal hue and cry for regimenting men and women all over the country to help make these war-born profits, but you cannot pass a law that will regiment the wealth which they create.

When I read the stories of splendid heroism of our boys on the fighting fronts, when I see the motion pictures of the War and Navy Departments depicting our men landing in north Africa, Sicily, and Italy, crawling on their bellies through the disease-ridden and poison-infected jungles of the South Pacific, and

then hear these egotists testifying before our committees, attributing their swollen war business to their own genius, and crying out in their anguish against the injustice of excess-profits tax and demanding the repeal of the Renegotiation Act. When I hear and see these things, do you know what I wish?

JUSTICE FOR PROFITEERS

Just for a week I would like the power to sit in judgment with the authority to mete out justice as I saw fit. To the war profiteer lamenting his fate I would say, "You demand justice. Very well, you shall have it. I sentence you to serve for 1 year with Company E of the Thirty-second Division as a private and at a private's pay. Come back here after a year and tell me then if you still think that you want justice." I think that his answer would be, "Only let me help those boys. I don't want any money. I want to serve."

Money does queer things to people. Charmed by its gleam and dazzled by its glitter, men and women since recorded time have succumbed to its allurements. And yet money is the lowest form of reward. It brings neither health nor happiness, it keeps no promise, it cannot build character nor enlarge a soul. Nor does it establish any of the principles for which our boys are giving their lives. On the contrary, it destroys souls, honor, and even faith itself. No Jesus Christ gave faith to the world through the power of gold.

Perhaps you think that I feel too strongly on this subject, but I remember all too well the fact that 23,000 millionaires were created by the First World War. I remember, too, that the men and women who demanded that these unholy gains be taxed were crucified and hounded as though they were moral lepers. Yet the moral degeneracy caused by war profits today is much greater than in those days, because we spent only \$25,000,000,000 during the First World War period, while in this war we are spending more than 10 times that amount. Such vast sums are too great a temptation for sordid souls who would lower the Stars and Stripes and substitute the dollar sign, who would supplant the Star-Spangled Banner with Roll Out the Barrel.

THE REVENUE BILL OF 1943

For more than 25 years earnest men and women all over the world have been seeking a formula to take the profits out of war, but none has been found to date. Government ownership of munitions plants was suggested, but this was opposed by the Army and Navy as impracticable. Next a 6-percent profit on the amount of the contract was formulated, but this, too, was rejected as creating too many inequalities. I would add one more: Freeze all profits, prices, and wages the moment war is declared. No injustice would be done anyone, if there were a board to review all hardship cases. However, none of these plans seemed feasible to the proper committees, so two laws were passed to reach war profits—the excess profits tax and the Renegotiation Act.

TAX-DODGING MANEUVERS

At once the artful tax dodger went into a huddle to find a way out and so the Rumml Plan was born. This painted hussy lured many a legislative pilgrim from the straight and narrow path. Though at first rejected, she came back in a new costume, and, with her face lifted, she renewed her efforts and won out. However, the fact remains that \$12,000,000,000 in taxes forgiven, is 12 billion that you never get. No one can argue me out of that fact.

The second attack is being made now against the renegotiation act. And what a thorough job of junking a bill the Senate Finance Committee has done. If it had repealed the act outright, it could not have done a better job. But not without protest. A minority report has been filed by Senators WALSH of Massachusetts, LA FOLLETTE, CONNALLY, and LUCAS. Because many of our people will not see this report, I take the liberty of quoting freely from it.

MINORITY REPORT

Renegotiation to date has resulted in saving the Government \$5,300,000,000—2½ billion in actual cash which the procurement agencies have recovered or will recover for delivery to the Treasury and 2.8 billions in reductions in prices for future deliveries under existing contracts.

The real choice for us to make is between renegotiation and war profiteering. Let the Democratic and Republican parties redeem their platform pledges. I will guarantee that the Progressive Party in Congress will redeem its pledge 100 percent. I also call upon the American Legion, the Veterans of Foreign Wars and other veteran organizations not to let our men in service down. I call on business itself not to permit this steal. The vast majority of businessmen are doing their best. Many of them have sons and daughters in the service and these men want to do what is right, but there are some ghouls and jackals among them who would rob the graves in their greed for gold. These men bring dishonor on all.

Business will benefit from the retention of an adequate profit-control statute. For 10,000,000 men in the armed forces and for their families, the war has meant heavy sacrifices. The control of wages, rationing and the other restraints of total war have imposed burdens upon the people at large. Having endured these sacrifices and burdens, the people will not tolerate any relaxation of wartime-profit controls.

LET US LOOK AT THE RECORD

The proposed Senate committee amendments would exempt standard commercial articles. This exemption will exclude from renegotiation a large part of war procurement on which exorbitant profits are realized.

The Maritime Commission estimates that this amendment will exempt contracts for \$2,000,000,000 of standard commercial articles to be incorporated in ships still to be built by it. This amendment will permit almost everyone

except the shipbuilder to retain excessive profits.

The situation of the Navy is similar. About 30 percent of its program of \$4,700,000,000 for auxiliary and landing crafts will be spent for standard commercial products. Here are specific cases:

The Timken-Detroit Axle Co., in its fiscal year ended June 30, 1942, did a total business of \$127,800,000, or approximately six times its average annual business during the period from 1936-39. It realized a total profit—after taxes—of eight and one-quarter million dollars. On every dollar during 1941-42, the Timken Co. made a net return after taxes but before renegotiation of more than 50 cents. This company would be largely exempted by this amendment.

The Elastic Stop Nut Corporation, which is continuing its peacetime production of self-locking nuts, also would seem to be largely exempted. With an average 1936-39 business of \$744,000 annually, the company had total sales of \$25,000,000 for 1942 of which two-thirds were for war purposes and one-third was nonrenegotiable commercial business. On this large volume of business, the company has sharply increased its profit margin to 55 percent. With this expansion and higher margin, the company realized a net profit after taxes for 1942 of \$3,480,000 as compared with \$432,000 in 1939, or 122 percent of its net worth at the beginning of 1942.

These cases are not exceptional instances; similar profit figures are general for such articles. In 1942, the profits—after taxes—of 19 companies making perishable tools were 11 times their pre-war—1936-39—average. The 1942 profits for 25 woolen textile companies had increased ninefold. Profits of 10 lumber companies for the same period quadrupled. Fifty-three cotton textile companies realized 8 times as much profit—after taxes—in 1942 as in the average pre-war—1936-39—years. These facts refute the argument that profits are not excessive on sales of standard commercial articles.

Permit me to call to your attention the fact, the proposed Finance Committee bill will make this new restricted definition retroactive to the original date of the statute—April 28, 1942. The chief advocate of this new definition is the machine-tool industry. The exemption of these companies is not justifiable.

The Warner & Swazey Co. is an example. This company's machine tools have been sold principally on subcontracts and are not incorporated into finished munitions—but their prices affect the cost of the munitions. During 1942 Warner & Swazey did \$42,000,000 of war business, or about six times its average pre-war volume of \$7,000,000 per year. On its war business Warner & Swazey took a bigger profit mark-up—38.8 percent—than it customarily received during peacetime. As a result, without renegotiation, Warner & Swazey would have made a profit, after taxes, of \$5,461,000 in 1942, or approximately four times its peacetime average. That is a return of 49 percent in 1942 on each dollar invested in the business.

But the crowning achievement in forgiving war profits in the Senate finance bill is the provision for a court review, even though the contract has been closed to the entire satisfaction of both the contractor and the Government. All in all, if these changes in the Renegotiation Act should be adopted, much of the money recovered by the Government since this act was passed can be sued for and won back by the contractor. More than 99 percent of all completed renegotiation cases have been settled by voluntary agreements. They run into the thousands. Why open them up again? This whole proceeding looks like a willful and determined drive to give back most of the war profits and not take much in the future.

SACRIFICE

To wage this war, the Nation must expend its substance and the lives of its young men on an appalling scale. Despite much talk of equalizing the sacrifices, that can never be done in sober fact. To achieve the defeat of Hitler and Japan, thousands must contribute their lives or broken bodies. Measured by their sacrifice, any lesser contribution of time, or effort, or money, seems but a paltry mite. Equality of sacrifice there never can be. To those who die or are maimed, we must remain eternally in debt.

But if we cannot match their supreme sacrifices, we must do our best to spread the burdens of the war as fairly as we can. Every class and group must do its share to carry the Nation's war load. Above all else, we must make certain that no group or class shall exploit the war for its selfish benefit. This is but simple fairness to our soldiers and sailors, and also to our people—who are enduring unwanted restraints and burdens for the common good.

This is a statement in the conclusion of the minority report.

SALES TAX

What is the meaning of this emasculation of the Renegotiation Act, and what purpose is behind it? The President calls for a \$100,000,000,000 budget and sixteen billions in additional taxes, and the Senate Finance Committee responds with a revenue bill which would raise less than three billions and a forgiveness feature which would restore five billions. As I interpret this maneuver, it means that the drive is on to force the President to accept a sales tax. Such a tax would be the final injustice to the boys in the service, for it would make it necessary for them not only to fight the war but to pay for it, too.

The House should reject the Senate proposals by such an overwhelming majority that there would be no doubt in anyone's mind as to our position in this matter.

FORGIVENESS OF SERVICEMEN'S TAXES

Under the present law, a young man entering the armed forces still owes income taxes due at the time of induction, but need not pay them until he is honorably discharged and 6 months thereafter. To 97 or 98 percent of this group, these taxes will be a stiff debt to face when they are looking for a job. While Congress is in the mood to forgive war profits, let us do a little something for the boys who make the real sacrifices and who would not have this debt hanging over them were it not for the war. Let

us forgive these back income taxes of our boys in service and let them begin life free of this encumbrance. To give these boys a fresh start and a clean bill of health financially, I have introduced a bill declaring these taxes paid and rendering any claim against them for back taxes null and void.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

The gentleman from Illinois has 9 minutes remaining.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SABATH. Personally I am of the opinion that there is no opposition to the rule and I am indeed gratified and pleased that we have brought this bill here under an open rule and that the desire on the part of some to bring in a gag rule did not prevail. I realize that there will be a large number of amendments offered under this rule, but I have the utmost confidence in the membership of the House that they will vote for a fair, just, and adequate mustering-out pay for these deserving members of our armed forces.

By the way, I just heard a little while ago that instead of 1,000,000 there have been already mustered out 1,424,000 men and that mustering-out will continue. I merely give you these figures so that you can judge your action in voting on this bill and on any amendments that I take for granted will be offered in good faith; I hope so.

Mr. Speaker, I ask unanimous consent that I may proceed out of order for a few moments.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SABATH. Early in the day, I was charged by the gentleman from Mississippi [Mr. RANKIN] with delaying to bring forth a rule on the servicemen's vote bill. I want to make my position clear. Here is H. R. 3210, introduced September 14, 1943, by myself, providing for legislation that would guarantee and assure each and every member of our armed forces, as well as those civilians in governmental and war activities, the right and opportunity to vote.

A few days thereafter I requested a hearing and appeared before the Committee on Election of President, Vice President, and Representatives in Congress and urged the early consideration of my bill. I was pleased to hear from many persons who heard my appeal and presentation of facts in my effort to obtain the reporting out of not only my bill but any bill that would provide a positive right and opportunity for our soldiers, sailors, marines, Coast Guard men, members of the merchant marine, and women members of our armed forces, as well as civilians serving in a quasi-military capacity, the privilege of casting their votes in the coming election. Therefore, the charge that I have delayed the consideration of this legislation is unfounded and unjustified. I

am just as much interested and desirous of obtaining the great voting privilege for our boys here and abroad as any Member here.

Now the gentleman from Mississippi [Mr. RANKIN] sent me a letter yesterday, as I have stated, which I received with the last mail, about 5 o'clock, asking for a rule. That was the first notice I had. Immediately I called him up and I directed his attention to the fact that we had set the hearings on the Lea aviation bill for today, and we did have that hearing. We have a demand for hearings on the insurance bill and on the Kefauver Cabinet questioning bill and on the Bell Puerto Rico bill and the Hobbs anti-sabotage bill and the Randolph bill and many other bills whose sponsors and the chairmen of committees reporting same have been pressing for the holding of hearings and the granting of rules.

Further, I venture to say there are over 50 resolutions pending on which I have been asked to hold hearings. It is humanly impossible for me, as chairman of the committee, to immediately grant hearings on all bills and resolutions. Please bear in mind one thing. Never before in history has a Rules Committee brought in more rules to expedite the business of the House than the committee of which I have had the honor to be chairman. There are many ways by which bills can be called up. They can be brought up by unanimous consent; they can be brought up under suspension of the rules, or they can be brought up under the Calendar Wednesday rule. Seldom in the past has such liberality been shown by a Rules Committee as has been shown by my committee, and I am proud of the fact. I am also proud of the fact that very few gag rules have been granted by the Rules Committee. It is my aim at all times to give Members the privilege and opportunity of being in a position to offer amendments, and to have any bill considered under the 5-minute rule, whereby they will be able to offer any amendments which they honestly and candidly believe will improve the bill under consideration.

In view of the conditions, I feel I have made my position clear on the soldiers' vote bill, relative to the charges that hearings have been delayed on some of the bills.

In conclusion I will say that as soon as the committee can do so, it will grant hearings on all other bills and resolutions. But we have before us the mustering-out payments bill which will be considered today and tomorrow, to be followed by the bill reported by Committee on Foreign Affairs to enable the United States to participate in the work of the United Nations relief and rehabilitation organization on which a rule was granted yesterday, which provides for 2 whole days of general debate, and the gentleman from New York [Mr. FISH] is aware of that fact. Then there is demand for many other hearings that have been promised.

I will say now, it is not the intention of the chairman of the Rules Committee to delay any bill, or any resolution, or any action to expedite the business of the House. It is my aim and it shall

continue to be my aim to give the membership ample opportunity to be heard on any bill or resolution, which they have introduced, because I think they are entitled to it. We cannot do it all in one day, or in one week.

Mr. FISH. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. FISH. When does the gentleman propose to call a meeting of the Rules Committee to have a vote on the soldiers' vote bill?

Mr. SABATH. I just gave you the program as it is now before us. It will be as soon as I possibly can. I will call a meeting of the committee to consider all of the other bills and matters that are pressing.

Mr. FISH. Will it be this week?

Mr. SABATH. I do not think it can be this week.

Mr. FISH. Then, will the gentleman at least agree to meet next Monday?

Mr. SABATH. I agree to call a meeting as soon as I can.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CHURCH. Would not the bill you have just mentioned, your own bill, deny an opportunity to vote for an entire ballot with all names on it?

Mr. SABATH. My position has been this, and I made that clear: I feel the Congress has no right to legislate on any city, county, or State election. We have a right under the Constitution, to legislate and provide a method by which the election of President, Vice President, Senators, and Members of Congress may be conducted.

The SPEAKER. The time of the gentleman from Illinois has expired.

All time has expired.

The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1543, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Kentucky [Mr. MAY] is recognized for 1 hour.

Mr. MAY. Mr. Chairman, I yield myself 15 minutes, and I ask that I be notified when I have consumed 10 minutes.

Mr. Chairman, if the pending measure were proposed as a measure to pay our veterans of the present war for their services and their sacrifices to our country, we would have to open the doors of the Treasury, down on Pennsylvania Avenue, take everything there is in it, then exhaust the gold vaults at Fort Knox, and we would never be able to pay them. That is not the question here today. The problem is a plain and simple

proposition to grant a form of aid to the servicemen of this country for a sole and particular purpose. That purpose is simply to aid them to adjust themselves upon being discharged from the military service, back to the status of their peace-time activities.

Your Committee on Military Affairs was rather severely criticized prior to the Christmas holidays, for what was charged to be inactivity on its part in connection with this legislation. But I am not going to take the time of the House this afternoon to talk about that. I pass it by unnoticed.

Your committee took up the bill passed by the Senate. I would like to make it definite and clear now that in the course of the hearings before your House committee, as well as the hearings before the Senate committee, there was a great deal of confusion, confusing the question of mustering-out pay, or discharge pay, if you care to call it that, with adjusted compensation. We heard the representatives of the veterans' organizations, and not one of them ever claimed that as mustering-out pay there should be any larger sum than that which this committee has reported. On the contrary, it was admitted in executive session by two of the representatives of the veterans' organizations that the pay should be about \$100. But this committee was up against a proposition of having to consider the fact that they were considering a Senate bill that allowed much more. We undertook to get on a kind of middle ground, so that the House would not think we were being penurious on the one-hand or extravagant on the other, and at the same time be liberal with our service men.

I do not know how many men there are on the floor of the House who would care to make the statement I am about to make, but I am going to make it regardless of the consequences: I think the present bill is excessive on the subject of mustering-out pay but I am willing to support it and am supporting it. I want to do everything that can be done for our veterans, but I believe that the veterans of our Army today are as intelligent a group of people as we have in our population. I believe that if when they are discharged 3, or 4, or 5 years from now or at whatever time it may be, they come back home to an insolvent country and find it in the midst of destructive inflation and chaos they will feel that their efforts and their battles have been in vain. I believe they have sense enough to know that and I think they take that view of it. That is one of the considerations that has influenced me to take the position I now take.

Let me say that we took this bill up as passed by the Senate and struck out all the Senate had done and inserted after the enacting clause of the bill reading:

That except as provided in subsection (b) of the first section of this bill that each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on

or after December 7, 1941, shall be eligible to receive mustering-out payment.

I might explain here that in the First World War the minimum time they had to serve in order to receive mustering-out pay was 90 days. We have fixed it in this bill at 60 days, a concession, by way of comparison, to the veterans at this time. In addition to that where the First World War veterans received \$60 mustering-out pay, we have provided \$300, or exactly five times as much as the veterans of the First World War received in face of the fact that the evidence discloses, as all of us know, that jobs are plentiful now and they were scarce then; wages are unusually high now and they were low then because we had not planned as we have planned this time to have available to these men jobs when they return to their homes.

We exclude certain groups from the legislation, groups we did not believe were entitled to this pay. Here they are: The first group that is not to receive mustering-out pay under this bill is:

Any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended.

That means the rank of captain in the Army and those holding corresponding rank in the Navy and the Coast Guard. The Senate bill provided that everybody up to the rank of colonel should receive mustering-out pay, but when I thought of the case of a lieutenant colonel who left a \$5,100 job in the Home Owners' Loan Corporation and went in the Army as a Reserve officer and drew pay at the rate of \$6,000 a year all the time he was in the Army, that he came home the evening he left the Army, took off his uniform and the next morning at 9 o'clock entered his \$5,100 job again, I thought it was bad practice to pay such men additional money out of the taxpayers' funds, especially in view of the fact that one of the large groups of taxpayers after this war is going to be the servicemen who fought to win the war.

The next group we excluded is:

(2) Any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay.

We did not feel that retired Army or Navy officers should be paid mustering-out pay, since their retired pay runs for life.

Mr. MILLER of Connecticut. Mr. Chairman, does the gentleman want to yield as he goes along?

Mr. MAY. I would rather make an explanation of the bill and yield then, if the gentleman will permit.

The next group we excluded and denied mustering-out pay is:

(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska.

The evidence before our committee disclosed that there had been discharged at the time we conducted these hearings something more than a million men. The figure now I believe, currently, up to date, is 1,400,000. I should like to illustrate right here and now just how the cost of this thing is going to mount, mount, mount, and keep on climbing.

The CHAIRMAN. The gentleman from Kentucky has consumed 10 minutes.

Mr. MAY. I thank the Chairman.

There is a process of taking in and discharging going on all the time; in other words, it is like a wheel rolling, they roll them in and they roll them out; and at the rate of more than a million a year rolled in and rolled out and with 11,000,000 men in the armed services now it will not be based on an army of 11,000,000 men to cost \$3,600,000,000 under one bill or five and one-half billions under the Senate bill, but it will be rolling right on and on until it will roll out perhaps fifteen or sixteen million men, and we felt in view of this that we ought to be a little cautious and move with care and discretion.

The next group we exclude from receiving mustering-out pay is a group of Air Corps reserve officers who are entitled to receive a lump-sum payment under the act of 1936 of \$500 and during the time they are in service they are paid excess pay over and above that of the ordinary ground forces who do not fly; then at the end of their service they receive \$500 additional in cash. We excluded this group because we did not think it would be fair to add two or three hundred dollars on to the bonus they already receive.

The next group we excluded was:

(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army Specialized Training Program, (B) the Army Air Forces College Training Program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard.

We did not think, and we do not think that you think, that we ought to allow mustering-out pay to these young men whom we are trying to get into the schools and colleges, if we are the parent, in order that they may get a better education, be paid \$50 a month while they are there and in addition have all their expenses paid; we think it is bad economy, bad practice, and unwise legislation to allow that even though we admire the young men and are willing to do anything we can for them. We are dealing with a trust fund that belongs to the taxpayers of this country.

The next group we excluded was:

(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy.

These men, particularly those at West Point, are given an education that costs about \$14,000.

We also excluded those students at the United States Naval Academy at Annapolis who get a like education at Govern-

ment expense. We felt they should not be given mustering-out pay.

The next group that we considered and exempted was the commissioned officer, unless discharged or relieved from active service within 3 years after the termination of the present war as proclaimed by the President, which means, of course, commissioned officers above the rank of captain.

Mr. Chairman, we have given this matter very careful study and I am sure there is no one here who will vote against the bill. There may be a few who may vote for a higher allowance. But I want to caution you against that. I want to tell you that it is definitely said by the representatives of the veterans' organizations, it is definitely stated by the Congress, the Senate and the House of Representatives, and everybody knows, that we are going to consider hereafter adjusted compensation for every one of these men, and we ought to consider that matter. There are so many considerations involved that I hesitate to start to enumerate them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I yield myself 5 additional minutes.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. What has the Director of the Budget said on this subject? Has the gentleman any report on that?

Mr. MAY. I do not believe we consulted the Director of the Bureau of the Budget. The War Department said that the amount it would cost was so indefinite they could not make an accurate estimate of it, therefore they had not consulted the Budget.

Mr. ROBSION of Kentucky. Was the Army and Navy in favor of the bill?

Mr. MAY. Both the Army and Navy have reported favorably on it.

Mr. ROBSION of Kentucky. Have they expressed any preference for this bill over the Senate bill?

Mr. MAY. They never express any preferences as between bills offered by Members of Congress.

Mr. IZAC. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from California.

Mr. IZAC. Will the gentleman state why the committee chose the date of December 7 rather than the beginning of the emergency?

Mr. MAY. There is no particular reason why we did that. We chose to start at the beginning of the war as declared by the Congress rather than to take any period before that because everybody who had been discharged prior to that time was discharged at their own request and, in addition to that, those who were in the service were automatically by a subsequent act of Congress inducted into the service notwithstanding the fact they had been originally taken in for a period of 1 year's training. We thought that that was the proper date to take.

Mr. COOLEY. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from North Carolina.

Mr. COOLEY. Before December 7 the National Guard had been called into the service. It occurs to me that perhaps members of the National Guard had been injured in maneuvers or otherwise physically disqualified and discharged. I was wondering if it would not be well to consider the advisability of fixing that date as of the time the National Guard was called into service?

Mr. MAY. I do not think so. In addition to that, all of those who were discharged for disability incurred in the service, whether they be National Guard men. Reserve officers, or inductees, will be paid not only their compensation and their pensions, but this mustering out pay if they are discharged subsequent to the 7th day of December.

Mr. COOLEY. I have in mind an individual who was discharged for physical disqualifications which were not service-connected for which he has received no compensation. He is mustered out because of those physical disqualifications. Many of these men might even be objects of public charity. I wonder if it would not be discrimination to fix arbitrarily the date as December 7 rather than the time the National Guard was called out.

Mr. DURHAM. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from North Carolina.

Mr. DURHAM. He is entitled to all the Government benefits.

Mr. COOLEY. There are no benefits for a man who is discharged for physical disabilities not connected with the service.

Mr. MAY. If it has been fairly determined he had no disability in the service, of course he ought not to have any pay, in the form of compensation or pension.

Mr. COOLEY. The statement has been made that there is a benefit. I have in mind an individual in my home town who has engaged in five major engagements abroad. He has come back home completely paralyzed. He is a boy 21 years old, now dependent absolutely upon the charity and benevolence of his friends and relatives. He has not been given any muster-out pay, he has not been given any compensation, he has not been given a blessed thing except to be thrown back into that home, ruined and maimed for life.

Mr. MAY. The very thing that embittered the gentleman's feelings in the matter and mine likewise was the fact a large number of these men, not a large number perhaps, but a considerable number, in that kind of condition and in like condition have been discharged pending the adjustment of their compensation and pension. At the same time it has been arranged, and General Marshall has entered an order authorizing the Veterans' Administration to set up a discharge office and an office for the consideration of claims in every Army hospital in this country. They are going to it as rapidly as they can. That man whom the gentleman mentions will draw \$250 per month, and in addition to that he will draw this muster-out pay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHORT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in the words of the prophet, "Come, let us reason together." We all will agree that legislation of this type and character offers a rare opportunity for Members to demagog, and it would be amusing were it not pathetic and tragic to see how some people fall all over each other trying to show their great love for the ex-servicemen. I do not know whether they are concerned so much about the genuine welfare of the veterans as they are thinking about this coming November election.

Judging from some of the reports that we have heard over the radio by certain commentators and certain articles we have read in the press, and, I am sorry to say, from utterances of some Members of Congress, you would think that the Congress of the United States has been apathetic and indifferent to the welfare of our veterans. They would lead you to believe that our House Committee on Military Affairs has deliberately and maliciously blocked, prolonged, or delayed the passage of this legislation. Nothing further from the truth could be said. No veteran has a better friend than the members of the Committee on Military Affairs of the House of Representatives, which is composed almost entirely of ex-servicemen. We served in the last war. We have had to stand up against the gun and take criticism because of a few hardship cases, one of which was pointed out by the distinguished and able gentleman from North Carolina, that has incensed him, you, me, and all the rest of us. But that is a matter of administration, not of legislation.

The Army, the Navy, and the Veterans' Administration have been called before our committee and have promised to hasten the adjudication and take up that unjustifiable, inexcusable, and indefensible lag between the discharge of the men and the adjudication of their pensions or compensation claims. I will tell you how parsimonious this Congress has been with our veterans. No army in all the world is as well fed, well clothed, well housed, well equipped, well trained as the American Army, Navy, Marine Corps, Coast Guard, and Air Forces. And, if it were not offensive to our allies, I would add the best fighters on earth.

If you are going to take the stars from that flag and put a dollar sign on it, God knows you could never pay in dollars and cents for his services anybody who has been shot out of the air or bombed under the sea or bombarded on land, who has gone through the icy blasts of the far-off cold and foggy Aleutians, the bitter cold of Iceland and Greenland, or the stinking, slimy, sweltering heat of the Tropics of the South Pacific. But I repeat that no Congress in all our history has been so kind, considerate, and generous with the men and women in our armed services as has the present Congress of the United States.

Look at the benefits they have today under existing law:

Not only do the veterans have burial and funeral expenses but they have insurance up to \$10,000 at the lowest and

cheapest rates in all the world. In addition, we have hospitalization, and due to amended legislation passed recently, whether a man has service-connected disability or not, if he is a war veteran he is admitted to a Government hospital where he is given the benefits of modern science.

In section 8 of the Selective Training and Service Act we deliberately wrote into the law that when a soldier of World War No. 2, this global conflict, is discharged he will be given back, whether in Government or State employment, or in private enterprise, his old job—or one as good or better—with all his seniority rights. If he is not given that job voluntarily by his employer, the United States district attorney is required to take his case before the courts and try it without any charge or fee to the veteran, and the employer must pay any benefits that are lost during such absence of employment.

Not only will he get his job back but he also will be given other benefits besides burial and funeral expenses, insurance, and hospitalization. He is given vocational education. Any disabled veteran coming out of this war can attend a training school, a college or university, wherever he wants to go, for 4 years at the expense of the taxpayer.

Then, Members of this House, come down in this well and say that Congress has been niggardly in the treatment of our veterans. I call that "bunk." It is unfair, it is unjust, and it is untrue.

What is all this fuss and furor about, Mr. Chairman? Why, I have received only three letters from veterans in my district concerning this legislation. That is how little they are interested in it, and I bet a lot of you have not received a single letter. Their main interest and chief thought is to win this war. The veterans of this war did not come before us demanding this pay. A few politically anxious Congressmen did. Some want to pay them \$1,000. In the last war we had 4,000,000 men in our armed services, 2,000,000 in France and 2,000,000 at home. Today we have 11,000,000 men and women. Because of the turnover we will have not 11,000,000 men and women but, if the war continues for 2 or 3 years, fifteen to twenty million men and women in the services. Pay them \$1,000 mustering-out pay, and it will be \$15,000,000 or \$20,000,000,000. Our distinguished and able chairman, the gentleman from Kentucky [Mr. MAY], has been criticized because he has used his brain. He is a true friend of the veteran. He knows that we must not bankrupt this country. I resent this criticism regardless of its source.

Have we gone completely crazy? Have we lost all sense of proportion? Who will have to pay this bill? You who think you are going to bribe the veteran and buy his vote, you who think you can win his support by coddling him and being a sobsister with a lot of silly, slushy sentimentality, are going to have a sad awakening. These veterans, their children, and their children's children will have to pay this bill. We talk about inflation. We argue and fuss over a bil-

lion and a quarter or a billion and a half for subsidies, and then we bring in this bill. Mr. Chairman, some may think it is excessive, but I am supporting it. It was reported unanimously out of our committee. It gives \$100 to a man who served less than 60 days here or abroad, in war or out of war, and \$300 in three monthly installments, one at the time of discharge and two succeeding installments, to any man who has served more than 60 days, either here or abroad.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SHORT. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, in the last war when we discharged our men we paid them \$60. Here we are proposing to pay five times as much, and you can buy a better suit of clothes today for \$35 than you could buy for \$60 in 1918. Sixty dollars then, \$300 today.

How much did we pay our veterans in the last war? Twenty-one dollars per month. And do not think that those boys at Chateau-Thierry, Soissons, Belleau Wood, and the Argonne, who went under barbed-wire entanglements and crawled on their bellies through the mud, muck, and mire like snakes, facing the fire of musketry and cannon, were not brave men; do not think they did not suffer in those days as men today are suffering. But today instead of paying our soldiers \$21 a month we are paying them \$50 a month and in addition we are paying dependency benefits, \$50 to the wife, \$30 to the first child, and \$20 for each additional child. Up until this hour, since we voted dependency benefits and allotments, in 20 months' time the Federal Treasury has sent out more than 53,000,000 checks that aggregate more than \$3,000,000,000. We know that this cannot compensate them, but can we do more?

Unfortunately, many of you have not studied this measure. The thing that rather amuses me is that after our committee had spent weeks-listening to testimony, reading it, studying it, conferring with the Army, Navy, Veterans' Administration, and with one another; after we had taken a bill that was hatched overnight and brought out on the Senate floor under unanimous consent, a bill which the leader himself branded as a Christmas gift—one of the sloppiest pieces of legislation I have ever seen—some bright boy comes along and tells us just what kind of bill we should pass.

Mr. Chairman, without any disrespect to another body, I can say that sufficient consideration was not given to this bill by that body. Look at that body today and the present Supreme Court, and we can understand why Jesus wept.

Our committee took this bill, and none of us could understand it. We tore it apart and put it together again. We now have a decent, respectable, liberal, and generous measure, which every Member of this House can vote for without batting an eye and can go back home and defend. I say as a Member of this House and as a member of the Committee on Military Affairs, that I have always supported veterans' legislation with

my voice and my vote. I think the veterans in my district are more responsible for my being here than any other group, but I am not going to lose my sense of proportion, go off half-cocked, and lay a burden upon the backs of these very men who have not asked for it.

The CHAIRMAN. Is there objection? There was no objection.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. COSTELLO].

Mr. COSTELLO. Mr. Chairman, this House has before it perhaps the most important piece of legislation that may come before it during the current session. I say that advisedly, because how you act today may determine what you are going to do in regard to all future legislation, concerning your program in regard to veterans of the present war. Unfortunately there has been carried on throughout the country a very vicious campaign, a campaign in certain newspapers, which has completely confused and misled not just the public in this country, but the men who are serving in our armed forces, and, worse than that, the message that they have conveyed has been carried across the seas to our men serving abroad. They have confused the public as to what mustering-out pay really is, and let me emphasize to you today, that it has nothing at all to do with unemployment compensation. If you are going to take up unemployment compensation, you want a different bill from this. Then is when you want to extend out payments during the time of unemployment for those veterans who are actually unemployed and for that reason, we should not accept any provisions today that will spread the payments of this money out over a period of a year. If it is mustering-out pay, let us pay it to the men at the time they are discharged from the service, so that it will take care of their pressing important needs, and not pay it to them 10 to 12 months after they are out of the service, when the need has long since passed.

This legislation has nothing to do with adjusted service compensation. For that reason, do not attempt to put in some amendments that will distinguish between a man's service in this country and his service overseas.

That is a problem for adjustment of his service compensation and it has nothing to do with mustering-out pay. The problem of rehabilitation and transition from military life to civilian life is identically the same for every man, regardless of whether he spent his time in Sicily, the Caribbean or the South Pacific, or at some Army post in this country, and all this bill undertakes to do is to provide funds necessary to effectuate that transition from military to civilian life.

But the greatest confusion that has come about has been constantly repeated stories in the press that the Congress and the Government has done nothing to take care of the sick and wounded and disabled, and that the Military Affairs Committee of the House actually went

home at Christmas time without doing a thing to take care of these disabled veterans. That is a lie. The men who wrote those stories and disseminated them to their newspapers, knew that they were lies and yet they published them. I have an article here that I could read to you, if I could take the time, and I could show you that there is not a true statement contained therein, because this Congress has done everything within reason to provide for the sick, the wounded, the disabled veterans of this war. In fact, we have even increased the amount payable in excess of the amounts heretofore paid to veterans of the last war. We have discharged our duty, and we did it promptly, without hesitation.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. Not just at this moment. Let me call to your minds that the demands being made on the Congress for this legislation are not coming from the veterans who are serving overseas, or the veterans of this war. In the main they have emanated from the veterans' organizations of the last war.

You have not heard from a veteran of this war and it will be some time before you do, but let me assure you that the veteran of this war who is serving in some isolated island in the Pacific, or some lonely island in the Caribbean, or in Sicily, has plenty of time for thought, and he is indulging in a great deal of thinking, and if you think you are going to satisfy him by a hand-out of a few paltry dollars, and saying that this will discharge your obligations to him, you are sadly mistaken. What he wants to know is whether you are preserving this Government as he left it, whether we are going to lay a tax burden upon him and harass him for the rest of his days, whether you are building up such a debt that inflation is inevitable, and whether when he gets back, because of the tax burden laid on his shoulders, he is not going to enjoy the standard of living to which he has been accustomed. He is going to want to know whether this Government will see to it that it will provide employment for him when the war is over, when he is discharged from the service, far more than he is interested in the measly hand-out of so many dollars in discharge of this patriotic obligation. I think no greater service could be done to the discharged veterans of this war than to have the War and Navy Departments establish at every mustering-out place a special board of review to see to it that every man at the time of discharge shall be personally interviewed, in respect to his qualifications for work, his medical record, the type of work he desires, and taking such things into consideration, they should apply to the United States Employment Service, and find specific employment for that man prior to discharge, so that at the time he leaves the service, he knows that there is a definite specific job waiting for him. I think he would be more appreciative of efforts in that regard than in the amount of money that we are going to pay him.

We have to keep in mind that we have increased the amount of payments in this war far beyond what we did in the last war, and we have also increased the number of men whom we have called into the service, and every time you pay out a dollar to a veteran of this war, it means twelve or fifteen million dollars, and when a newspaper comes out with a statement that the chairman of the Committee on Military Affairs at the most offered a bill which is just a sop and an insult to the veterans, which would give each man \$300 on discharge, then that paper knows that it is falsifying and that it is trying deliberately to mislead the public.

For any man who can stand up and say \$3,600,000,000 is a sop and an insult cannot help but be falsifying. And I wonder why this terrific pressure to rush this bill through? Do you recall the adjusted service compensation of the last war, \$3,790,000,000? It took years to pass that over the opposition of all kinds of organizations, particularly the opposition of many newspapers in the country. Yet this bill for \$3,600,000,000 should be passed without a hearing and without debate. Keep in mind that if you increase the amounts of this bill you are not going to eliminate the demand for adjusted service compensation. If you place that legislation on the same basis as the World War No. 1 provision of \$1.25 for every day of overseas service and \$1 for every day of domestic service, that alone will cost you \$15,000,000,000. There is a proposal right now, introduced in the other body, which advocates doubling those amounts to \$2.50 for every day of overseas service and \$2 for every day of domestic service, or a total of \$30,000,000,000. The unemployment compensation program will cost you \$5,000,000,000 if we enact it. The educational program to provide for 4 years of college education will cost you \$4,000,000,000 if you should enact it. Yet none of those things are for disabled veterans. I would far rather see us continue to increase the compensations that are to be paid to men who suffered some disability. Double this if you will, but for heaven's sake do not start doubling and increasing those amounts which go out to the able-bodied veteran who comes back and is able to gain his own living and to provide for his own self in peacetime. It is the disabled man to whom we owe the obligation. The Veterans' Administration have paid out since World War No. 1 a total of slightly less than \$15,000,000,000 to the veterans of the First World War. Yet we here are proposing to dump out sums equal to that amount for various purposes at this time. To go to whom? To the disabled veterans? No; to all the veterans, able-bodied and disabled alike. But I say, confine your augmented payments to disabled veterans and do not increase the amount of this bill. Finally, let me remind you that you are not giving the veteran anything. Instead you are passing laws to pay out large sums of money to these veterans, money which is not cash on hand, but borrowed dollars, dollars which these same veterans are going to have to repay into the Treasury through taxation, and it will cost these

veterans two and a half dollars to pay off every dollar they receive, if we are ever to retire the national debt.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. ARENDTS].

Mr. ARENDTS. Mr. Chairman, I realize that anything I may now say would be but repetition. However, proceeding on the theory that dripping water finally wears away a stone, I want to repeat a few of the facts dealing with this legislation. Although the ground has been rather well covered, I want to comment on one or two things which may have been overlooked. First, the committee gave an extraordinary amount of study and consideration to this bill, both in subcommittee and in the full committee of the Committee on Military Affairs. Members from the War Department and from the Navy Department and either General Hines or a representative from the Veterans' Administration were with us at every session during which this legislation was discussed. The bill which came to us as reported by the Senate, I think, can best be described by the words I read in one of the papers, "It is neither fish nor fowl. It is more than mustering-out pay and less than adjusted-service compensation." That is the thing we want to bear in mind now in dealing with this bill. This is purely mustering-out pay. I wonder how many Members of this body have had correspondence from any of the boys in the service concerning this particular legislation. I know I have not, and I question how much others may have had. The boys are not concerned about mustering-out pay at this time. What they are troubled over, is what about their jobs after the war. Will they be able to go back to work and live a normal, peaceful life and carry on as they did before going into the service? Let me read to you an excerpt from a letter that came from one of the boys overseas. This may bring to your attention a little of what they are thinking. It reads as follows:

I think it would be in order to caution you not to try to ride the pension horse. All these fellows over here want is to get it over with as quickly as possible. This stuff about "how much" is untimely and is making them mad. If some of your colleagues think they are buying soldier votes by it, they are certainly badly mistaken. There is a growing feeling of uneasiness in the service that by the time the war is over, things will be so inflated that a dollar won't be worth anything anyway. It seems that a good old-fashioned economy program with a little soldier security thrown in, would be a better vote-getter than this latest form of attempted bribery.

That is what some of the boys are disturbed about who are going to have to help to pay through taxation some of the expenditures we are presently voting. I cannot help thinking of the remark the gentleman from North Dakota made in his statement earlier in the afternoon when he said "the generosity of the American people is on trial here today." I would rather say that the common sense and business judgment of the peo-

ple are on trial through those of us who are the peoples' representatives.

Mr. Chairman, all of us want to do everything possible for the serviceman. I am sure we have proven through all the veterans' legislation passed within the last year or two, that we are true friends of all those who serve their country.

I am convinced the committee bill is a good bill and trust that it will merit the support of a great majority of this House.

Mr. MAY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I do not feel that I, or, in fact, anybody else, can add much to what has already been said. This bill comes here with a unanimous report from the committee. I think, however, I should say in all fairness there were, I believe, four members who did in the committee offer or support amendments increasing the amount and basing the payments on foreign service or length of service. But when the committee reached the conclusion that they would stick to a strictly muster-out pay bill, I believe I am within the truth when I say the bill was reported unanimously. I am happy to come here and join in enthusiastic support of the measure, because I believe I can say in all candor that there has never been a bill considered by any committee of this House that had more careful or patriotic consideration than this measure. I think, in view of what my friend the gentleman from California [Mr. COSTELLO] said, I would like, in passing, to pay tribute to him for his courage and intelligence. The subcommittee of the Committee on Military Affairs, of which he was the acting chairman, gave this bill the closest study. The confusion was brought about by reason of the fact that the bill that came from the other body provided, in effect, for adjusted compensation based on length of service and also more pay for overseas service. But I want to repeat what has been so often said this afternoon, and that is, this is nothing in the world but a mustering-out bill. It has nothing to do with pensions, adjusted compensation, or bonus. It has no regard for length of service except that a man who has been in service less than 60 days gets less than one who has been in a longer time than that. This is muster-out pay to bridge the man over. This is just to tide the man over from the day of his discharge until he is rehabilitated or reinstated in employment of some sort. I believe the hearings show that 635,000 of these who have been discharged have already been restored to jobs. Of course, these may be flush times, and that kind of situation may not prevail 12 or 18 months from now.

Nevertheless, in every war we have ever had there has been a mustering-out bill, to pay the men a reasonable sum of money to tide them over until they can get reestablished. That is all this bill is. That is all it is intended to be. It is too early to do more than that. I believe I speak for the committee when I say there is not a single man on the committee who is not willing and

anxious, when the proper times comes, to provide adequate pension, or compensation, or bonus, or whatever you want to call it. Of course, the length of service and the question of foreign service, and perhaps the question of combat service, will then enter into it, as it did in the last compensation act. But this bill is fair, in fact, very liberal, and the heads of the various service organizations have approved it, so I am advised by the chairman.

It says to every man who is honorably discharged, who has been in the service longer than 60 days, that he is to receive \$300, unless he comes under one of the exceptions mentioned by the Chairman. So I do not see, in view of what happened after World War No. 1, when \$60 was paid to the men as mustering-out pay, how any man, any citizen, and, above all, any soldier, can feel that this is anything but fair and equitable, when he gets five times as much mustering-out pay as he did in the other war, and is in no way estopped from later pressing his claim for adjusted compensation. When the proper time arrives, every soldier will receive fair and adequate compensation from me, and I am sure that is the way all the committee feel about it.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. MILLER of Connecticut. I have heard it said, and I would like your answer for the record, that as of today the men and women who are serving in this war, who are disabled in line of duty, are entitled to every benefit that has ever been made available to the veterans of World War No. 1, some of which took 20 years to accomplish. Is that correct?

Mr. THOMASON. That is my opinion about it, yes; and that is the way I feel about it. In addition to that, every soldier who is discharged, if he has been in the service over 60 days, is going to get \$300. If he is unfortunate enough to have become disabled, he gets his pension, or compensation, plus any hospitalization, or any other rights or privileges that any other veteran has. There is not enough money in the world to pay some of the disabled heroes of this war. Of course, Congress is going to treat them all fairly, and even generously.

Mr. SCRIVNER. Will the gentleman yield?

Mr. THOMASON. I yield.

Mr. SCRIVNER. In other words, this measure proposes just the opposite to what was done when the men enlisted, when the Government provided a fund with which the provide officers with their uniforms?

Mr. THOMASON. Yes.

Mr. SCRIVNER. This is the reverse. Mr. THOMASON. I think that is pretty well said, because a man who is discharged, perhaps wants a couple of suits of clothes. Perhaps he has two or three weeks' bill at a boarding house or hotel before he gets reinstated in his former employment. His business is gone. This \$300 is just what the word means, just what has been the application of the word in every war we have had. It is just to tide him over until he

gets reestablished. It is muster-out pay, and nothing else.

Mr. SPRINGER. Will the gentleman yield?

Mr. THOMASON. I yield.

Mr. SPRINGER. I appreciate the statement that the gentleman has made on this bill. Respecting the WAVES, the WAC's, and the SPARS, I presume they are entitled to the same benefits.

Mr. THOMASON. Of course, it covers everybody in the service who is entitled to it. You cannot name anybody in this war who is not going to be treated fairly in this mustering-out pay if this bill is passed as reported. I commend my friend the gentleman from Missouri [Mr. SHORT], the gentleman from Illinois [Mr. ARENDTS], together with those on my own side for the unanimity with which they have backed up this bill and with which they are going to defend it when amendments are offered. Perhaps there may be some amendments offered that will have merit, but I undertake to say that in the main this is an absolutely fair and sound bill and it has had the most careful and patriotic consideration by every member of the committee, regardless of any partisanship or politics.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. IZAC. My friend intrigues me a little about wanting to pay everyone the same figure. Still the committee bill provides \$100 if you are in the service for 59 days and \$300 if 60 or 61 days. In other words, you get \$200 for that extra day or two. How does the committee justify its position on that ground?

Mr. THOMASON. Well, it just seemed to the committee that perhaps a man who has been in the service for a week and is discharged for some good reason, is not entitled to as much as a man who has been in for 2 years, because he can step right back into his business. I grant you it is difficult to draw the line, but some arbitrary time had to be fixed. Many Members wanted to make it 90 days or 6 months; but it does seem that a man who has been in the service only a week, or 2 weeks, or 3 weeks is not entitled to as much as a man who has been in for 2 or 3 years, because it is more difficult for a man who has been in the service 2 years to promptly reestablish himself in his business than a man who has been in only a week or two.

Mr. COSTELLO. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. COSTELLO. Before the deferment committee a specific case was brought up where a man served 31 days in the Navy. I understand that 30 of those days were spent in the hospital. It was difficult to get him into the service at all. He was discharged. He immediately returned to the fat Government job that he was in before he went into the service. To give him \$300 for 30 days hospital service at a time when it was difficult even to get into the service, I think is rather high payment to make. Even \$100 is excessive.

Mr. THOMASON. Well, there are a lot of cases like that, but you have to draw the line somewhere.

Mr. IZAC. I think the gentleman would admit that we could pick out certain instances where this general law will not obtain in fairness.

Mr. THOMASON. Certainly. There are always exceptions to the rule. You will find them under this legislation, but most careful consideration has been given to the matter, and we worked out the fairest compromise we knew how.

Mr. IZAC. I want to compliment the committee which gave the matter fair consideration. I do think there is a weakness in this legislation when you give \$100 for 59 days' service, and \$300 for another day's service.

Mr. THOMASON. Perhaps so, but a man who has been in 10 days is not entitled to as much under all the circumstances as a man who has been in 2 years and who has lost his business.

Mr. IZAC. Thereby proving the justice of having this Congress recognize the fact that men who have served longer are entitled to a little more consideration.

Mr. THOMASON. Well, when there is as much difference as that, there ought to be a difference in the pay. My friend from California is confusing the matter with adjusted compensation, and if we were considering that question he would be right and I would not argue with him.

Mr. HOLFIELD. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. HOLFIELD. This has nothing to do with the railroad fare allowance—transportation back home?

Mr. THOMASON. No.

Mr. HOLFIELD. Will it be necessary for this Congress to wait 17 years to pass an Adjusted Compensation Act, as it was before?

Mr. THOMASON. Well, that is up to the Congress—you and the balance of us. That is your responsibility, as well as every other Member of Congress. I just believe that we will do the right and just thing when the proper time arrives to take care of the compensation pay or bonus, or anything else, but I repeat, this is nothing but mustering-out pay being considered now, and we ought to stick to it.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. MAY. I think it ought to be pointed out that in addition to the Federal payments that will go out under this legislation, all of the compensation laws, or unemployment laws of the various States which were frozen at a fixed time, are all available to these veterans when they return.

Mr. THOMASON. Oh, to be sure. The rights and privileges of the veterans in regard to other benefits are not affected in the slightest. This is just a gratuity or a gift, or whatever you want to call it, of \$300, to help get a soldier on his feet so that he can get a job or started back into his business.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. SHORT. For the information of certain Members who have asked me the question, I may say that the committee proposes to offer an amendment to sub-

stitute section 4 of the Senate bill, whereby this mustering-out pay can be paid not merely to the veteran himself, or to his guardian, as written in the House bill, but in cases of decease, it can be paid to his widow and then to his children, or to his parents.

Mr. THOMASON. The gentleman is correct. The committee decided at the morning session that the chairman should at the proper time see that that amendment was offered to the bill. I feel sure of its adoption.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that the mustering-out pay should have been included in the Selective Service Act, and then the veteran would know, when he was discharged and he would have something to tide him over?

Mr. THOMASON. The gentlewoman may be right about that, but that is water over the dam. That is ancient history now. We are facing the proposition now of what you are going to do for these more than a million men who have been discharged and more being discharged every day. So I do not see how this bill has any direct bearing on the Selective Service Act at this time.

Mrs. ROGERS of Massachusetts. Well, we should have done it at the time.

Mr. THOMASON. Well, there are a lot of things that should have been done in the past. War came on us so suddenly, perhaps, we overlooked a lot of things. We must now solve the problems of today and tomorrow.

Mrs. ROGERS of Massachusetts. Is it not true also that there is difficulty for the returning veterans to find employment? I know there is a cut-back in many communities and these men cannot get employment.

Mr. THOMASON. I feel sure the gentlewoman is right that there are some communities where it is more difficult to get employment than it was a few months ago.

Yet at the same time the officials of the Veterans' Administration have advised that 635,000 have already been returned to private employment. They are doing a fine job with the help they have had available. There have been a good many hardship cases, but that condition is now being rapidly overcome. So I would say we were doing pretty well under the circumstances. The employment situation may not be so good a year from now or 2 or 3 years from now, but for the present these men certainly are going back to work.

Mrs. ROGERS of Massachusetts. Many of them did not even have money enough to get home with.

Mr. THOMASON. There may have been a few hardship cases and there may have been some delay in the Veterans' Administration getting adequate relief to them. That is not their fault. They were short of offices and employees. That situation is now much better and improving every day.

Mrs. ROGERS of Massachusetts. But we cannot pay these men for their disabilities or their service.—

Mr. THOMASON. Of course not; that is not a debatable proposition. We will, however, pay them adjusted compensation and we will give them the best hospitalization in the world. But this bill is nothing in the world but mustering-out pay, and I repeat that it is both fair and just and is meant only to accomplish that purpose.

The **CHAIRMAN.** The time of the gentleman from Texas has expired.

Mr. SHORT. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFFER].

[Mr. SHAFFER addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. SHAFFER asked and was given permission to revise and extend his own remarks.)

Mr. SHORT. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I believe there has been some misunderstanding with respect to the legislation we are considering this afternoon. This is a measure that is intended to provide funds to help take care of the soldier's expenses for a period of time after he has been discharged from the armed forces. This bill has nothing to do with other compensations and benefits to which the soldier may be entitled. It ought to be understood, too, that a man or woman discharged from the armed forces is also entitled to hospitalization and all other benefits that are allowed veterans of the First World War.

Mr. Chairman, there will be further legislation before the Congress to provide adjusted compensation and other additional benefits for those who have served in the armed forces, but as I have said, that legislation has nothing to do with the measure that is being discussed today and should not be confused with it.

Mr. Chairman, neither this measure nor any other legislation that comes before this Congress can hardly be considered on the basis of paying the men and women in the armed forces what they are entitled to for their services to our country. There is not money enough in the Treasury of the United States to begin to compensate the thousands and millions of men and women who have seen service in this war. However, Mr. Chairman, I am sure this Congress and the Congresses that may follow will be glad and willing to do everything that is fair and reasonable on behalf of the members of our armed forces in the way of compensation and other benefits, in an attempt to show appreciation for their services.

Among other things, Mr. Chairman, we will have to give consideration immediately to the question of hospitalization, education, and a chance for rehabilitation of the men and women when they are discharged from the services of their country. And very important, Mr. Chairman, is the question of providing jobs for these men and women when they return to their communities and again enter into the activities of civilian life. To be assured a chance to work at a decent wage is one of the most im-

portant things that can be done for them. We must give consideration in the immediate future to this problem.

Mr. Chairman, one thing more: these boys who are fighting in the four corners of the world today must not be permitted to return to a country of chaos and of misunderstanding and confusion. Let us make sure we on the home front are doing everything we can to see that this country of ours shall continue to be one of opportunity, a place where every man and woman may live under a free representative government and may have a chance to enjoy the benefits of what we have always understood and known to be the American way of life. To see that this is done is one of the biggest challenges to us who remain on the home front.

(Mr. REES of Kansas asked and was given permission to revise and extend his own remarks.)

Mr. SHORT. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I propose to support this bill.

Mr. Chairman, this measure now in debate is to provide for mustering-out payments to members of the armed forces at the termination of this war, or to those who are discharged and relieved from the service both prior and subsequent thereto. This is a measure which deserves the support of the Members of the House.

At the conclusion of World War No. 1, a mustering-out pay bill, or a discharge bill, or to be entirely specific the \$60 bonus pay bill, as it was commonly called, was enacted into law. Under the provisions of that law every serviceman, regardless of the length of time he served, received the sum of \$60 at the time of his discharge from the service. Under that law, the payment of such sum of money was not limited in any respect, but that sum of \$60 was paid to every ex-service man. The spirit and purpose of the payment was to provide each soldier with a sum of money whereby he might be enabled to maintain himself during the intervening period between his discharge from the service and the time when he might be able to secure employment at some gainful occupation. In many cases the \$60 payment, at the close of the last World War, was wholly and entirely inadequate to bridge over the gap between his last pay while serving his country, and the time when he was able to secure civilian employment whereby he could maintain himself. Many will recall that the jobs of the men in service had been absorbed by others, and the wartime activity in our factories and mills had diminished to a great extent so that employment, in those plants, was hard to find when the boys came home. Quite well do we remember that the change from a wartime effort in producing the essential materials, supplies, and equipment for war, to a peacetime production, required almost a complete rehabilitation in our industries. Therefore many of the ex-servicemen returning home from World War No. 1 found themselves without any job, and without any opportunity of securing a job.

They were destitute, in many cases, except the meager sum of \$60 which was provided for them at the time they were mustered out of the service. In many cases the ex-servicemen stood upon the streets and sold apples in order to secure funds for their own sustenance; in other cases the ex-servicemen were forced to beg for food; some of them slept in poorhouses and in jails. They had served their country faithfully and well, yet they had no job and all they had was the meager gratuity given them by their Government in the sum of \$60.

Mr. Chairman, it is my fervent hope that a kindred situation, such as we know existed following the last war, will not develop following this war. A grateful Nation and a grateful people will not permit another era of want and great distress to follow in the wake of World War No. 2, I am certain. Those who have borne the brunt of battle in this war, and to those who have been inducted into the service and who are in the camps in this country, all of whom have equally submitted to give their all for their country and for the preservation of our American way of life, should be treated as our veterans of this war—because they have extended their aid in saving our Nation in time of extreme peril—and they should not be discharged and then forgotten. They should have extended to them a mustering-out pay which will give the aid which it is intended to give to them to bridge over the gap, or the period of time, intervening between the end of their military service and the time when they will be able to secure a job in civil life whereby they will be enabled to sustain and support themselves and their families. We do not want to witness the veterans of this war standing upon the street corners in our cities selling apples after this war is over. We want these veterans to come back home, when this frightful war is over, and take over their jobs. We want to see them employed at gainful occupations. However, the transition of a soldier from the Army, or a sailor from the Navy, into the ways of civil life is not accomplished overnight. There is a period of rehabilitation required for every soldier and sailor following his service in the Army and Navy, because upon his return from service he is usually highly restless, and very nervous; his long period of training, or his participation in combat in the battle zones, have remolded him; a period of readjustment or rehabilitation is essential. This measure is intended to provide a small sum of money for these veterans of this war, based upon the length of service rendered, in order to keep them free from hunger and want during that period. Every veteran of the last World War is entirely familiar with this period of transition from war activities to peacetime living.

Mr. Chairman, this measure provides for the payment of the sum of \$300 to those persons who have performed active service for a period of 60 days or more. This sum will not be paid in a lump sum. Only one-third of this amount, or the sum of \$100, will be paid at the time of final discharge and ultimate relief from

the service. The remaining amount, or the sum of \$200, will be paid in two equal installments—the sum of \$100 will be paid in 1 month after the discharge and final relief from the service, and the remaining \$100 will be paid in 2 months thereafter. This method will be of aid and assistance to the veterans in preventing them from losing their money in the various pet schemes which will be presented to them by those wishing to take undue advantage of them when they return from service. And, the days of the carpetbagger will fade into insignificance when the veterans of this war come home with their mustering-out pay in their pockets, because there are those who will use every effort and every device to extract that money from the pockets of the veterans.

Mr. Chairman, this pending measure provides, further, for the payment of the sum of \$100 as mustering-out pay to all persons who have performed active service for less than 60 days.

We must aid in protecting our veterans when they return home from service. These men and boys will be victorious in this war—that we know. When they come back, with victory theirs, let us prevent the hours of anguish and despair which might result, and which I am constrained to firmly believe will result, unless ample provision is made, as this measure will accomplish, in giving to them a small sum of money which will bridge over the gap between Army service and civilian employment.

We can, and should, as a grateful people, in a grateful Nation, take care of the veterans of this war upon their severance from their wartime service.

(Mr. SPRINGER asked and was given permission to revise and extend his own remarks.)

Mr. SHORT. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

[Mr. ANGELL addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point and to include certain quotations.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. CLASON].

(Mr. CLASON asked and was given permission to revise and extend his own remarks.)

Mr. CLASON. Mr. Chairman, this bill is one to grant mustering-out pay to the men who have served with the armed forces. It covers not only those who have already been discharged, but also who may be discharged in the future. Perhaps you noticed in this morning's Washington Post a statement to the effect that up to the present time 1,457,000 persons have returned to civilian life since the Selective Service Act became effective. That is about 3,500 for every congressional district, assuming they were divided equally among the different districts of this country.

Mr. Chairman, I propose to offer an amendment to strike out section 3 on page 6, which prevents men who have left the Army to enter employment, from receiving the mustering-out pay. Most of them are over 38 years of age. Personally, I cannot see why this group of persons, and they already number about 1,000 in each congressional district, should not be entitled to mustering-out pay. We have been told that some of them have been in the Army for a year and a half; in fact, while I was home one man 46 years of age told me that he served that length of time in the Army, that he gave up a good business to go into the Army, and he was practically told that because he was over 38 years of age he was no longer of any use in the Army and they would be very glad to have him ask his way out. This has happened to hundreds of thousands of citizens who have left jobs. After they got into the Army, the Army told them they were not wanted and they were asked to ask their way out.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I should like to proceed for just a moment longer if the gentleman will permit.

The position is this: Long after Pearl Harbor the War Department through Selective Service stated that they did not want anyone over 38 years of age, some months after they had been inducting men of 45. They made the mistake themselves by having selective service up to 45, or if they did not Congress gave them something they did not want. They took these men between the ages of 38 and 45. It seems to me that any person who has served in the United States Army honorably in wartime and has received an honorable discharge, who is going to receive a bonus in the future according to the speaker ahead of me and who at the same time is going to have all the benefits that go to veterans, should not have this one particular thing taken away from him. If he has served in the Army even a short length of time, when he gets out he needs a suit of clothes or a pair of shoes or a week or two of pay just as much as any other person.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CLASON. Yes, if the gentleman will yield me additional time, otherwise I cannot yield in 5 minutes.

Mr. SHORT. Mr. Chairman, I yield 3 additional minutes to the gentleman from Massachusetts.

Mr. CLASON. Then, Mr. Chairman, I yield to the gentleman from Kentucky.

Mr. MAY. I wish the gentleman would advise the House if he has the information, in connection with his statement that one businessman in his district had to sell his business to go in the Army and then bought it back at a sacrifice, how many men above 38 years of age in his district immediately went into good jobs when they left the Army.

Mr. CLASON. That may have happened in some cases, but it did not happen to all of them by any means, especially to those who were discharged from the Army

with some disability even though at their own request. Probably the majority of those who were discharged on account of disability have not been able to get good jobs. Certainly the gentleman would not ask that they be deprived of this mustering-out pay to which they are entitled, something with which to buy a suit of clothes, a pair of shoes or a couple of weeks' board after they have been in the Army a year and 4 months or any other period. If anyone is entitled to it, certainly these men are.

The other point I have in mind is this: There are hundreds of thousands who have come back to civilian life through disability. Spread out over the country by districts, this already is more than a thousand to each district. In the State of Massachusetts, except in Boston, there is not any office of the Veterans' Administration to which a discharged veteran can go to get either counsel or forms on which to make out claims and receive sound advice. I feel that one thing the Congress has failed to do is to see to it that the Veterans' Administration establishes some subdistrict offices in centers of population in the various parts of every State so that a veteran when he returns home can go to some official who knows all the answers; to an office where there will be a doctor to examine him and to look out for his wants. These men who are discharged because of disability sometimes within 3 or 4 weeks after their return to their homes, may be much worse off in a physical way.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CLASON. Yes; if the gentleman will yield me some time.

Mr. MAY. I will yield the gentleman 1 minute if he will answer my question.

Mr. CLASON. Then I yield to the gentleman from Kentucky.

Mr. MAY. I am sure the gentleman does not want to leave any false impression as to what the Veterans' Administration has done, and in order that the gentleman may be fully advised I may state that the fact is that since we started hearings on this bill they have established 93 offices throughout the country and have issued a pamphlet advising the public and the veterans that they can apply for their compensation at these places and that there are offices and a staff of personnel there to attend to their needs.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mr. SHORT. So far as counsel and advice on these forms are concerned the forms can be secured at nearly every American Legion post throughout the country.

Mr. CLASON. But there ought to be somebody in every large center of population to tell the veterans what to put into the forms, tell them what they are entitled to. After the last war we had those subdistrict offices in places like Springfield, Worcester, and other centers of population. They had there also a doctor and director. The physician looked the man over to ascertain his condition and if the man needed the attention of a specialist he saw to it that

such attention was given to him. Similar offices ought to be established today in practically every city in the country where they had offices before. I feel that one thing the Veterans' Administration ought to do and do quickly is to reestablish those district offices in charge of a competent director, with a full-time physician in attendance to examine the men, a part-time staff, and a competent office force. We had them after the last war and they gave great service. The Veterans' Administration did a swell job and I think they can do the same thing now. They ought to start.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mrs. ROGERS of Massachusetts. I may say to the gentleman that we have been working on that very matter with the Veterans' Administration. No legislation is necessary; and, regarding mustering-out pay, certainly as the gentleman says, there should be no discrimination against any man because he is in the group over 38 years of age, or in any other group.

Mr. CLASON. I agree with the gentlewoman.

Mr. SHORT. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CLASON. Mr. Chairman, the proposition I really want to bring home is that we are telling several hundred thousand men who have returned to their homes that their services in the Army, Navy, and so forth, are not worth mustering-out pay. I believe that is a stigma upon that group of persons, and I do not believe that the Members of Congress want to place that stigma upon them.

If the Army had gone at it in the way it should have been done, in order to protect those people, it would have simply stated: "We made a mistake with reference to selective service. The top age should have been 38. We made it 45. Therefore we are now going to give discharges to everyone over 38 because your services are not of sufficient value for you to stay in the Army. You can be of much more use in this war effort by going back to war jobs. We are going to release you; we are going to give you your honorable discharges, and we are going to ask you to go back home and take part in the war effort back there."

Instead they did the negative proposition of stating: "You have got to ask for your discharge, but we are telling you now we want you to ask for it and that when you ask for it we are going to give it to you."

I do not think it is fair to go at things in that kind of way; then, when it is all over, say to the fellows: "We really do not think your services in the Army were worth very much. You should have stayed at home."

I am in favor of mustering out pay for veterans of the present war. We received such pay at the conclusion of World War No. 1. I shall vote for the bill in the form in which it is finally presented for passage, though I may not be in entire accord with its provisions. I am not certain that the amounts of money provided in the bill, S. 1543, now

before the House are entirely satisfactory. At least they are much more generous than the \$60 provided after the last war for the purposes sought to be carried out by this bill. Personally I feel that such mustering-out pay should be for the purpose of immediate aid to each veteran. He may need clothes, shoes, and other essential articles. To me it is beside the point to argue that if he requested his discharge to return to a farm or to a war job he should be discriminated against. The fact that he is discharged for such a purpose is some evidence that he ought never to have been drafted. General Marshall has stated that the beds in Army hospitals contain far too many old men in the military sense. The Army officials urged the older men, those over 38 years of age, to seek their discharge. In my own district I have talked with one man recently who was inducted just before his forty-fifth birthday. His younger brother, now 46 years old, was also brought in under Selective Service. The younger brother is on limited duty in fact, even though the Army has given up the term. He could be of far greater use outside the Army. He has been in the Army more than 18 months. Other men went in with the National Guard before the war. They are too old for the rigorous life of modern warfare. Many have served in the Army faithfully for months. Congress is responsible for the fact that many of these older men have been or are in the Army. General Marshall and other military men advised us that the Army really wished us to limit the draft to men between 18 and 31 years of age. At that time I voted for lower age brackets but the law as enacted permitted drafting men up to 45 years. We forced these older men in and now when we make them ask to be released rather than order their release from service, it is provided by this bill that they shall not receive mustering-out pay. I believe this provision is unfair to them for they need immediate aid as much as any group after months of service. It is unfair to them for we knowingly are placing a stigma upon their service. They will be a group known in after years as those whose service did not deserve the comparatively small sum called mustering-out pay. I hope this provision in the bill will be stricken out.

Then the bill discriminates against those who go to school after they are in the Army. That provision seems to say that the school program of the War Department is not exactly on the level; it is at best a program subject to careful scrutiny; whatever the student may be, he is not truly a member of the armed forces of the United States. The fact that this great committee has seen fit to discriminate against this group shows the need of a careful investigation into Federal expenditures for educational purposes of all kinds.

I believe that it would be better to give some mustering-out payment to every person who leaves our armed services with an honorable discharge. To my way of thinking, it would be better to discriminate between groups when payments as adjusted compensation or as a bonus are under consideration.

I hope that an amendment will prevail which will strike out the provisions which would bar certain groups of honorably discharged veterans from mustering-out pay.

And as we discuss the need for mustering-out pay for veterans, we should have in mind that this pay does not close the books with reference to our veterans. For many the mustering-out pay is far less important than sound advice, information as to their rights, and competent medical services from Government agencies right now. A majority of our veterans of the present war hold honorable discharges for physical disabilities. They are released from Army or Navy hospitals or posts. They return to their homes, often to cities or towns in which there is no veterans' facility or district office. Their condition is almost certain to change for the better or for the worse within 2 or 3 weeks of their discharge. They go looking for help. They go to the officers of the American Legion and other veterans' organizations, or to the soldiers' relief commissioners, or to private citizens for advice and information. The results are far from satisfactory. I believe that the Veterans' Administration is not living up either to its responsibilities or to its grand record in this crisis. It may be that it has been hamstrung through failure to rate it as a war agency with outstanding priorities, as sometimes stated. If so, the Government officials responsible have made a terrible mistake which should be rectified at once. Priorities have been given for construction and alteration of buildings of far less consequence than sorely needed additions to veterans' facilities to take care of far more patients than have been provided to this date. There are capable persons employed by other bureaus of the Government today who could render far more valuable service under the Veterans' Administration than in their present jobs.

I wish it were possible to add to this bill a section requiring the establishment of a subdistrict office of the Veterans' Administration in every large center of population in the United States. I am told that it would not be difficult to set up in Springfield, Mass., the same kind of a subdistrict office which was maintained for several years after the last war. Most of the physicians then employed are our leading practitioners today. They can be used again on a part-time, fee basis as before. The office would need a competent manager who could give correct information and sound advice to the veterans; an examining physician and part-time medical staff of specialists; and a competent office force. In the long run the Government will be saved millions of dollars by these offices and our veterans will receive the decent, competent treatment which we as a people owe to them. If no more men and women enter the services, there will ultimately return to Springfield, a city of 150,000, more than 20,000 veterans of this war. About 1,500 have already returned to Springfield and more than 7,500 to the area which would be served by a Springfield office of the Veterans' Administration. They are returning in increasing

numbers, many of them wounded or ill. It is time to act now in their behalf. I urge that something be done at once. I will close my own remarks by including a letter from Mr. Earle F. Bliss, executive secretary of Springfield Post 21, Inc., of the American Legion. Mr. Bliss is one of the best informed, kindest, and most cooperative gentlemen with veterans and their problems in the United States. He is known all over the country as an indefatigable worker in their behalf. He is always ready to do more than his share of the work. He has told me that the matter has gotten beyond the scope of local groups. The veterans are getting the wrong answers and the wrong impressions as to their problems and rights. Some have been told that in the absence of a Veterans' Administration doctor they can go to any physician and the Government will foot the bill. Later the veterans will learn that they have incurred heavy debts personally. Mr. Bliss also believes it would not be difficult to establish subdistrict offices with competent personnel. His letter to which I have referred is as follows:

THE AMERICAN LEGION,
SPRINGFIELD POST, 21, INC.,
Springfield, Mass., December 31, 1943.
Hon. CHARLES R. CLASON,
Congress of United States,
House Office Building,
Washington, D. C.

DEAR CHARLES: This will acknowledge your letter of December 29 and the inquiry contained therein relative to the establishment of a subdistrict office of the Veterans' Administration.

It is true that since the removal of the office here in 1933 the Springfield Post of the American Legion has carried on a great deal of the work that ordinarily would have been handled through the Veterans' Administration office. This has included the filing of claims and giving advice on compensation, insurance, and kindred matters.

However, the situation has changed considerably now. We are having a large number of men coming back from the service in the present World War who need immediate medical attention. It is my opinion that a man who is discharged on a certificate of disability discharge should be entitled immediately to medical attention, even before his claim is entered or any process of adjudication has been started.

Of course, that should be the first thing, but the mere fact that he is discharged with a disability should, in itself, be sufficient evidence that he has a disability that was either taken into the service on what the regulations term "presumption of soundness." It may later develop that he had a preexisting disability which may or may not have been incurred or aggravated by his military service. I believe it is absolutely necessary, in all fairness, to assume that every man was aggravated by his service, but until that is definitely determined he should have immediate and competent medical attention.

That, to my mind, is the prime purpose of the immediate establishment of a Veterans' Administration office, with an executive in charge who would have authority to incur the necessary expense to send these men to proper physicians. The set-up that was in vogue last time had one examining physician, Dr. Harriman; and he determined whether the man, in his opinion, required a specialist for heart, eye, ear, nose, and throat, orthopedic, lungs, X-rays, etc.

Most of those doctors who did that work the last time are here now. They could examine these men either on a salary or fee

basis. They have the whole set-up at the Veterans' Administration. All they have to do is to just authorize it, and it would be functioning inside of a week. I will admit that there may be some difficulty in getting the office help that would be required. They would need two or three stenographers, and perhaps some additional interviewers to start off; and in connection with that, there should be somebody who could be assigned from the office in Boston to give competent advice, and have the authority of the Government behind him, on insurance matters and also on vocational training in particular, which is going to be a highly important factor in the very near future.

What appears to me to be the most essential item in this whole set-up would be the fact that the advice received from such an office would carry with it the weight of the Government behind it. It would be official. The man, when he finished talking there, would know exactly where he stood—or as near to it as would be possible for anybody to tell him.

Nobody realizes any more than do I the many small, troublesome details in the whole program of veteran rehabilitation; but until this office is started here, we are absolutely going to get nowhere on any program that may be devised.

We have got to recognize primarily that this whole rehabilitation program is a Federal proposition; and no matter how interested and earnest State, city, and town committees may be, they cannot possibly function in the rehabilitation of veterans where questions of compensation, death pensions, insurance, and vocational training are involved. I am speaking now primarily of men who are disabled. It is my firm belief that the big bulk of able-bodied men who come back will find their own niche and will need little or no assistance, and, if any, it may be of a very temporary nature. Possibly some of these young men who had no pre-war occupation may need some vocational training or guidance; and if so, that should properly be the function of the Veterans' Administration.

The actual reemployment of men, of course, has got to be a local proposition, to a very large extent; but the big problem is to prepare disabled men to reestablish themselves in the economic life of this country; and that is going to require competent handling of compensation and vocational training and can only be done, as I said before, by the Federal Government.

I believe if you could get together the other Congressmen and Senators from New England, you really could get something started. Certainly this is nothing that is coming from Springfield alone; it is bound to come from every section of the country where there has been a large population taken into the service.

The establishment of the subdistrict offices is nothing new; the set-up and machinery is all on record in Washington. It merely needs to be set going.

Very truly yours,

EARLE F. BLISS,
Executive Secretary.

P. S.—I just received a bulletin from our State headquarters carrying the minutes of a recent department executive committee meeting, in which the establishment of subdistrict offices of the Veterans' Administration was endorsed by the Department of Massachusetts, of the American Legion. (For throughout the State.)

Mr. MAY. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. BROOKS], a member of the Committee on Military Affairs.

Mr. BROOKS. Mr. Chairman, I have heard all the speeches made here today and I am inclined to agree with much

that has been said. On the same statement of facts, I have largely reached a somewhat different conclusion. Of all the members of the committee I was perhaps the most critical of the pending bill. My criticism of it was largely the result of the thought that the time has arrived when we in the Congress of the United States should promulgate an overall comprehensive program for these soldiers who are about to be discharged. We can legislate in a haphazard, piece-meal, hodgepodge way, as the Congress did after the First World War, and we can from time to time begrudgingly give to the soldiers coming out of the service of the Nation little benefits and assistance here and there.

This is not the way the veterans want legislation, and it is certainly not the most satisfactory way to legislate. What the returning soldier wants, as he takes off the uniform and again puts on civilian clothes, is a definite program which he can depend upon. He wants to know not only what his mustering-out pay is going to be, he wants to know what is going to happen when that \$300 mustering-out pay is gone. He wants to know, if he is unemployed at the end of 3 months, what is going to happen to him. He wants to know what kind of business rehabilitation program, if any, the Congress is going to provide for him and he wants to know this at the time he leaves the service. It is reasonable that we should decide what kind of program for rehabilitating the returning soldiers and sailors the Congress intends to provide.

There is a bill pending before the Committee on Military Affairs which does attempt in a general way to provide a comprehensive program. It provides for education; it provides for unemployment; it provides a home-owning program; it provides assistance for the returning soldier and sailor who finds that he is crowded by debts contracted before he went to war; and it provides for aid in reestablishing in business the veterans. In other words, this bill provides a genuine program of help for these men and women who are returning from the war and are reentering civilian life.

This Congress should decide now before too many of these men are returned home what we intend to do for them. When they come back and survey the situation they will know then and there what they can depend upon and they will govern themselves accordingly. In the long run we will give them benefits which will be far more useful to these men and women, and it will cost the Treasury less money, yet be far more satisfactory for those who return and need this help.

My criticism of the pending bill, if it be called such, is that it does not go far enough. It does not cover anything in the nature of a broad general constructive program which these men and women have the right to expect as they come back from serving their Nation in the largest and most dangerous war that we have yet been engaged. I hope that this Congress will soon work out such a program as will not be excessively expensive on the Treasury and yet will be something to which we can point with

pride and satisfaction in the years ahead as being our aid to the Nation's defenders returning to civilian life.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I assume that the Committee on Military Affairs was concerned primarily with the making of legal provisions for the payment of a reasonable amount for all veterans of World War No. 2 upon being discharged. I am confident that the committee in its wisdom did not intend that mustering out pay in the small amount provided in this bill should in any sense constitute a substitute either in whole or in part for adjusted compensation which will, by precedent, be properly due veterans of the Second World War.

With the termination of the war and with a suddenness that will jar the Nation, we will be faced with the making of some provision for the immediate care of the returning servicemen and women. The termination will be sudden whether the war ends next month or next year. At this time, I do not undertake to predict when the war will terminate. I mean to say, however, that unless we make provisions for post-war assistance for our men and women in service through stop-gap legislation such as this, we may be confronted with a serious problem.

It may be a bit late now, as I see it, to provide mustering-out pay because already more than 1,400,000 servicemen have been returned to private life. Although of these many are casualties which are properly taken care of through hospitalization, the great bulk of them have been returned to private life and have re-entered private employment during this hectic period when so many men and women are needed in the wartime industries, but the situation will change with the end of the war. Then, wholesale, unprecedented discharge will follow the cessation of hostilities and whether we make ample provisions now or not, the returning veterans will constitute a problem that this legislation should be very helpful in solving.

It is the post-war era that we are taking into account now, when millions, not hundreds of thousands, return to their homes. Until they are able to get a new foothold, this Government owes them an immediate spot-cash payment, but, Mr. Chairman, I reserve the right and at the proper time will insist upon the payment of adjusted compensation to all veterans, men and women of the Army, Navy, the Marine Corps, and the various reserves and auxiliary services, of \$1.33 a day or approximately \$40 per month for domestic service within the continental United States and an additional 25 percent for foreign service, that is, service outside of the continental United States, or in the amount of \$1.66 per day, approximating \$50 per month. I shall not go into any extensive detail as to my bill, but I would include it as part of my remarks at this time. The bill, H. R. 2853, as introduced by me, constitutes

the first and the only real adjusted-compensation act. It enjoys precedence over all others in that I have introduced this instrument on June 2 of 1943 and, over and above that, it may be said that the bill may have some advantage because the Committee on Ways and Means, of which I am a member, has jurisdiction and it naturally follows that I might, as a member of the committee, prevail upon the chairman and the membership not only to consider, but possibly to act favorably upon its provisions.

I respectfully suggest to all Members of the House that they make a study of my bill, which I will have reprinted as part of my remarks. It is concise and simple and in due time I presume it will be the law, so I say to you, Mr. Chairman, in voting for the mustering-out pay under the bill now being considered, I do not in any way compromise with my conscience as to the justice of the payment of a bonus at a later date, or, as I prefer to call it, adjusted compensation due our veterans. The bill follows:

H. R. 2853

A bill to provide additional compensation for veterans of the present war, and for other purposes

Be it enacted, etc., That this act may be cited as the "Second World War Adjusted Compensation Act."

SEC. 2. As used in this act—

(a) the term "land or naval forces" includes the Coast Guard, the Women's Army Auxiliary Corps, the Women's Reserve of the Naval Reserve, the Marine Corps Women's Reserve, and the Women's Reserve of the Coast Guard Reserve;

(b) the term "veteran" means any individual who (1) serves on active duty in the land or naval forces of the United States or, in the case of any member of the Public Health Service, any individual detailed for service with the land or naval forces, at any time during the period beginning December 7, 1941, and ending with the date of the termination of hostilities in the present war as proclaimed by the President, and (2) is separated from such service under honorable conditions, is released from active duty, or dies in such service;

(c) the term "oversea service" means service on shore outside the 48 States and the District of Columbia, and service afloat except service on receiving ships; including, in the case of either such service, the period from the date of embarkation for such service to the date of disembarkation on return from such service, both dates inclusive; and

(d) the term "home service" means all service not oversea service.

SEC. 3. (a) The Secretary of War or the Secretary of the Navy, as the case may be, shall, within 30 days after the date of separation from the land or naval forces or of release from active duty of any veteran or within 30 days after the date of enactment of this act, whichever date is the later, transmit to the Secretary of the Treasury (hereinafter referred to as the "Secretary") a certificate setting forth—

(1) The name and address of the veteran; and

(2) The number of days of oversea service and the number of days of home service performed by the veteran, but no service shall be included which is performed by the veteran during any period in which his base pay is greater than the base pay of the third period as provided by section 1 of the Pay Readjustment Act of 1942, as amended.

(b) As soon as practicable after the receipt of any such certificate, the Secretary shall pay to the veteran an amount equal to

\$1.66 for each day of oversea service and \$1.33 for each day of home service as shown by such certificate. If such amount is not more than \$50, payment shall be made in cash. If such amount is more than \$50, payment shall be made, at the option of the veteran, either (1) in cash or (2) in bonds of the United States registered in the name of the veteran only, in denominations of \$50 having a total face value up to the highest multiple of \$50 in the amount determined by the Secretary to be due the veteran, plus a sum in cash equal to the difference between the amount determined to be due the veteran and the face amount of the bonds.

(c) Each bond issued under subsection (b) shall mature 10 years after the 1st day of the month in which it is issued, but shall be redeemable at the option of the veteran or his estate at any time, at post offices and such other places as may be designated by the Secretary. Such bonds shall not be transferable, assignable, subject to attachment, levy, or seizure under any legal or equitable process and shall be payable only to the veteran or, in the case of death of the veteran, in the manner provided by this subsection. Interest on each such bond shall accrue at the rate of 3 percent per annum from the 1st day of the month in which it is issued to date of maturity or date of payment of the principal of the bond, whichever date is the earlier, and shall be paid with such principal; except that no interest shall be paid on any bond redeemed prior to the expiration of 1 year from the 1st day of the month in which it is issued. In cases of deceased veterans, the payments provided by this subsection shall be made to the person or persons determined by the Secretary to be lawfully entitled thereto, without the necessity of the appointment by judicial proceedings or otherwise of a legal representative of the estate of any veteran or of any other persons, or of compliance with State law in respect of the administration of estates.

(d) Bonds issued under subsection (b) shall, for the purpose of the debt limit of the United States prescribed by section 21 of the Second Liberty Bond Act, as amended, be held to be issued under authority of such act, as amended.

SEC. 4. (a) If the veteran dies in service either before or after the date of enactment of this act, the Secretary of War or the Secretary of the Navy, as the case may be, shall, as soon as practicable after his death or, if he died prior to the date of enactment of this act, as soon as practicable after the date of enactment of this act, transmit to the Secretary a certificate setting forth—

(1) the name of the veteran, the fact of his death in service, and his former residence; and

(2) the information with respect to type and length of service required by section 3 (a) (2).

(b) As soon as practicable after the receipt of any such certificate, the Secretary shall pay an amount equal to \$1.66 for each day of oversea service and \$1.33 for each day of home service as shown by such certificate to his dependents, in the following order of preference:

(1) To the widow;
 (2) If no widow entitled to payment, then to the children, share and share alike;

(3) If no widow or children entitled to payment, then to the mother; and

(4) If no widow, children, or mother entitled to payment, then to the father.

(c) (1) The widow shall be presumed to have been dependent at the time of the death of the veteran upon a showing of the marital cohabitation;

(2) Payment under subsection (b) shall be made to a child if (A) under 18 years of age at the time of the death of the veteran, or (B) incapable of self-support by reason of mental or physical defect.

(3) No payment under subsection (b) shall be made to the mother or father, as the case may be, unless dependent at the time of the death of the veteran, except that such mother or father shall be presumed to be dependent if 60 years of age or over at the time of the death of the veteran.

SEC. 5. The right to receive any amounts under this act shall not be assigned, sold, transferred, pledged, or hypothecated, and the payment of such amounts shall be made only to the person or persons entitled to receive such amounts under this act.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, the Committee on Military Affairs has done a really good job in perfecting this bill in order to serve a very definite purpose in the matter of caring for those boys and girls serving in the armed forces.

This bill should not be confused with provisions affecting the disabled, nor should it be confused in any way with provision for adjusted compensation. The bill is analogous to the mustering-out pay bill enacted at the close of the last war, and, in my opinion, it is a very liberal allowance, certainly more liberal than was the bill providing mustering-out pay for the veterans of the last war.

I was strongly in favor of the more liberal allowance for these veterans, because many of my buddies in the First World War were not able to adjust themselves and keep out of the bread lines on a \$60 mustering-out pay. This bill, however, is liberal enough to satisfy the needs for mustering-out pay.

Those of you who are sponsoring amendments to this bill more liberal for the disabled, I appeal to you as a matter of good, just service to the disabled and to other veterans to leave your amendments out of this bill. Let us pass this bill, and then take care of this other legislation when it comes to the House in the proper order. Otherwise you will be doing a disservice to the veteran by confusing adjusted compensation and disability allowance with the matter of mustering-out pay. Let us keep the issue clear. This is a mustering-out pay bill. I am in favor of this more liberal allowance than was given in the mustering-out pay bill after the first World War.

I would like very much to see this bill passed in the form the committee has perfected it. It is exactly what I think it should be as far as mustering-out pay is concerned.

Mr. JENSEN. Will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Iowa.

Mr. JENSEN. I have read this bill. There is only one section of the bill that is not clear to me. I am sure the able gentlemen of the committee can explain it and I hope they will do so, if possible. Section 4, page 6 of the bill, reads as follows: "Any Air Corps Reserve officer who is entitled to receive a lump sum payment under section 2, as amended (55 Stat. 240), of the act of June 16, 1936."

What I want to know is this: Just who are the Air Corps officers who will be disqualified under this act?

Mr. MARTIN of Iowa. I am glad the gentleman asked that question. I have had it asked privately by two or three Members on the floor this afternoon. I went to the document room and got a copy of the act referred to there, the Act of 1936. It is Public Law No. 691 of the Seventy-fourth Congress. The first two paragraphs of it read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to call to active duty, with their consent, for periods of not more than 5 years, such number of Army Air Corps Reserve officers as he may deem necessary, not to exceed 1,350.

SEC. 2. Upon the termination of such a period of active duty of not less than 3 years in duration, such Air Corps Reserve officers shall be paid a lump sum of \$500, which sum shall be in addition to any pay and allowances which they may otherwise be entitled to receive.

In other words, they have been provided a type of mustering-out pay, and we on the committee did not think it would be proper to give them an additional type of mustering-out pay such as provided in this bill.

Mr. JENSEN. I thank the gentleman for clearing that up. - I may say that I am strictly in favor of this fair and just bill.

Mr. MARTIN of Iowa. I appreciate the gentleman's statement because, I may tell the House at this point, there is no man in the State of Iowa who has had more to do with veterans' affairs than has the gentleman from Iowa [Mr. JENSEN] through his many years of distinguished service in the American Legion.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MAY. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Chairman, this legislation has been very fully discussed here this afternoon. I want to endorse the statement made by the gentleman who preceded me, the gentleman from Iowa, as well as by practically every other Member who has spoken on the subject, that we should keep in our own minds a very clear distinction between mustering-out pay and adjusted compensation, as well as other benefits. As different Members have explained it, mustering-out pay is to help the serviceman buy some civilian clothes, rent a house, turn on the lights, water, and gas, and go around looking for a job, and to sustain him and his family until he finds a job. That is the only purpose of mustering-out pay. It has no relation whatever to the length of service or the type of service.

The point has been raised, then, why did we set the amount at \$100 for those having less than 60 days' service. I do not mind saying that my own thought was that, just as was done in the World War, the mustering-out pay should have been applied uniformly, without reference to the length of service. However, the majority of the committee felt that the man who had been in for less than 60 days—and that was simply an arbi-

trary time arrived at more or less through compromise—had been maladjusted much less than the man who had been in for a much longer period of time and, therefore, would require less in order to get him back on his feet.

A great many of the cases that have been referred to as an argument for mustering-out pay and for larger amounts have been disability cases, but I warn you that this legislation is not going to take care of a great many of them. As a matter of fact, I have felt all along that ahead of this legislation we should have enacted a law whereby a person discharged from the service for disability incurred in the service ought to continue on the pay roll until his claim for compensation was adjudicated by the Veterans' Administration, of course, putting a limitation on the length of time within which that adjudication ought to come about. We are still going to have some hardship cases in spite of this legislation and in spite of all the legislation we enact. This cannot be a cure-all.

A good many people have said that we ought to work out a form of adjusted compensation right now. Some have said that we ought to pay the servicemen for 12 months, continue them on the pay roll for 12 months. I say that any adjusted compensation we work out at this time will most likely be unjust and unfair simply because there are still factors to be taken into consideration about which we cannot yet know.

We do not know how long this war is going to last, we do not know all the conditions under which our boys are going to be fighting all over the world, we do not know the extent to which liabilities back home are going to pile up on them under the Soldiers and Sailors' Civil Relief Act. There are a great many things we cannot know yet that ought to be taken into consideration in working out any kind of adjusted compensation.

Further, if we should enact a law continuing all of our servicemen on the pay roll for 12 months following the time of discharge or for any other period of time, I think it would be grossly unfair to those in the lower grades. After all, they are the ones who will perhaps need the help most, yet they would be getting the least. The upper grades, those where the pay is somewhat commensurate with the service, would be getting the big benefits, and they perhaps would need it least of all.

Something has been said here about the exception of those over 38 years of age who were discharged upon their own application for the purpose of taking work. Remember that both of those conditions must enter into it, they must be discharged, first, upon their own application; second, for the purpose of taking work back home. You will recall that even though the Army may have encouraged them to apply for discharge, no discharge would be granted unless a man could show that he had a job waiting for him. It may be that this rule laid down is arbitrary as to them, but any rule we lay down is bound to be arbitrary as to somebody.

I also call your attention to the fact that after the last war the mustering-

out pay of \$60 was paid to every person who had an honorable discharge from the services of the United States regardless of the length of time he had served. Later, when this Congress worked out adjusted compensation it deducted from the total amount of that compensation the amount that would have accrued for the first 60 days of service, in order to take care of that 60 days. I suppose it is reasonable to assume that if we do have adjusted compensation legislation following this war the same pattern generally will be followed. If that is true, the man who is over 38 and who was discharged under the conditions mentioned, is not going to lose a dollar. He may not get it in the form of mustering-out pay but the sum total, after all, will be the same, provided we follow the pattern that was laid out for us following the last World War.

I do not know of anything that should be added to the discussion. Our committee worked rather long and rather hard on this bill. We tried to keep clear in our minds at all times the distinction between mustering-out pay and adjusted compensation, feeling that this was no time to consider adjusted compensation. Further, if I understand correctly, the jurisdiction of that subject matter does not lie with our committee.

We have tried to present to this House a bill which we believe to be reasonable, not one to pay our servicemen for the length of time or for the type of service they have rendered. As the gentleman from Missouri has so well said, we cannot pay them for the service they have rendered, and this is not intended for that purpose; neither is it intended as a sop thrown out to them. It is intended for one purpose and one purpose only, to help them following their discharge to get themselves adjusted back to the normal pursuits of a peacetime life.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mrs. ROGERS of Massachusetts. Does it not seem to the gentleman, however, that every man should be given mustering-out pay, no matter how he came out of the service, because they have referred a good deal in debate here today to the mustering-out pay that was given to every man in the First World War, no matter what was his age or rank; and it seems to me that this, unintentionally on the part of the committee, is discriminatory. If it is mustering-out pay, it should go to everybody.

Mr. SPARKMAN. I have just said that my own view is that the amount should have been uniform, without reference to the 60-day service, or what it may have been, and I also have called attention to the fact that following the last World War when the question of adjusted compensation came up, the first 60 days of service was deducted in the calculation of that adjusted compensation, in order to take up that \$60. It may be that we shall have adjusted compensation following this war, and if we follow the same pattern laid down then, no man will lose anything in the calculation of the total amount finally paid to him.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. SHORT. Mr. Chairman, I yield now to the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON of Ohio. Mr. Chairman, I ask unanimous consent to extend my remarks at this point.

The CHAIRMAN. Is there objection? There was no objection.

Mr. ELSTON of Ohio. Mr. Chairman, I hope that at all times during the consideration of this bill it will be borne in mind that this is strictly a mustering-out pay bill as distinguished from an adjusted-compensation bill or a bill to provide disability compensation. It will be recalled that during the First World War, Congress passed a mustering-out pay bill providing for the payment of \$60 to every veteran regardless of his length of service and irrespective of where he may have served. Later on, after the war was over, Congress passed an Adjusted Compensation Act in which payments were based upon length of service, being larger for those with overseas service than those who served in continental United States.

I think it should be called to the attention of the House that when the Military Affairs Committee began a consideration of a number of bills on the subject of veterans compensation we decided to report out at this time only a mustering-out pay bill. So as amendments are offered to this bill I trust the House will consider whether they are on the subject of mustering-out pay or pertain to a subject which should be considered at a later time. If we are to confuse the subjects or attempt to consider together mustering-out pay and adjusted compensation, we may do an injustice to those we desire to help.

Mustering-out pay has but one objective and that is to assist financially a returning veteran during that period of time between his discharge and his obtaining a job. In no sense of the word can we hope to compensate in dollars those who have offered their lives in the service of our country. In all our history we never have attempted to do that. Men and women in the armed services do not expect us to do so now. I am sure they only expect us at this time to provide some reasonable provision to aid them after they leave the service and before they become reestablished in civilian life.

This bill came to the House with the unanimous approval of the members of the Military Affairs Committee after the committee had conducted extensive hearings in which all interested persons, including representatives of veterans' organizations, were given an opportunity to be heard. Being strictly a mustering-out pay bill it necessarily follows that certain groups have been excluded, such as those who requested their release from the service to accept employment in industry, students whose total service has been in school, and officers above the rank of captain in the Army and corresponding rank in the other services.

As the impression had been created, intentionally or otherwise, that Congress was neglecting the veterans, even those

who were disabled, the Military Affairs Committee felt it necessary to file a report, while considering this bill, setting forth the legislation and benefits which Congress has already provided for veterans and their dependents. This report has been repeated in the report which accompanied this bill. Even a casual reference to these benefits will dispel any notion that Congress has neglected the veterans of this war. No Congress ever did more.

So I hope, Mr. Chairman, we may be able to confine this bill to mustering-out pay, and that alone. I submit the time has not arrived to take up adjusted compensation. That can perhaps best be done when the war is over. If we confine our efforts at this time to mustering-out pay we will do more ample justice to the veterans and render better service to the country as well.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. J. LEROY JOHNSON].

Mr. J. LEROY JOHNSON. Mr. Chairman, what I have to say will be in part a repetition, but I think I can make one point that has not been stressed in fact today. There seems to be an idea that by bidding up the amount of money that we propose to pay these soldiers, we can buy their good will.

Mr. Chairman, the soldiers are not unreasonable. They were not in the last war, and will not be in this war. I emphasize what has been repeated here by every single speaker, that all this money is for is to give the soldiers and the sailors a chance to get from the uniform into overalls to go to work. If we can help that man provide a way to get a living, to get a job, it will do him a hundred times more good than we can do by giving him any amount of money. We should give a reasonable amount, and I believe the amount proposed in the bill, namely \$300, is reasonable.

There seems to be a prevailing opinion that this Congress has not done anything for the soldiers of this war.

I recommend to every single Member sitting in the House today to read the interim report of the subcommittee of our committee prepared by the gentleman from California [Mr. COSTELLO]. It lists the various benefits the soldiers of this war are entitled. Numerous benefits and more will be provided by this Congress if they are required.

I emphasize this one benefit: We passed in this Congress the finest vocational training law ever adopted in the United States. After 25 years of experience in the Federal Government with vocational training, and with vocational training in the States, we were in position to write a law that is the finest law that has ever been on the books anywhere. If that law is carried out according to its spirit and intent, you will do every soldier who gets the benefit of it a hundred times more good than you will do by giving him any amount of money. We will teach him to become vocationally efficient, and you will show the way by which he can get a job, and hold it, and climb up the ladder of success. In that way you will give him a benefit that will stay with him from the

day he starts until the time he dies. Vocational efficiency is the key to success in the free enterprise system.

I mention one other matter that I think is of importance to the servicemen of this country. There is pending in our committee and in other committees a law concerning the termination of contracts, which is a very complicated problem. If we do not find a way whereby we can unfreeze the productive forces now engaged in producing war matériel we may bog down our whole economic system in this country, and it is just as important or more so to the soldier in this war that we find a fair way to unscramble the productive forces engaged in making munitions of war and implements of war and get them back on a peacetime basis as fast as we can, as any law that we can pass for the benefit of the soldier.

If we do not do a good job in that particular situation, no matter how much money we can give to the soldiers, we will not give them any lasting benefit. By reviving promptly the productive forces of our country after the war is over we will provide the jobs that the returning veterans deserve.

Another matter is the matter of adjusted compensation. We must realize that it is much better to wait until the soldiers of this war get back out of the Army and give us their ideas of what they think they ought to have. They are going to be restless, just as we were, and when they hear of the big profits and the high wages paid the people at home, when they get back, we will have a demand for some sort of adjustment in the compensation of the soldiers of this war, and I think the Congress will make a very fair adjudication of that matter when the time comes.

I endorse the suggestion made by the gentleman from Louisiana [Mr. BROOKS] that perhaps we ought to make an overall study of the whole veterans' problem. To me that has not yet been done, and we should provide the means to do it. This Congress has done a lot for the soldiers, and this bill is a very decent, fair, and just bill, and it covers the situation we are trying to cover, namely, that we want to give the soldiers a little help during the transition period from the day he leaves the Army until he gets on the pay roll, where he will make a living for himself and his family.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent Mr. J. LEROY JOHNSON was granted leave to extend his remarks in the RECORD.)

Mr. SHORT. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. TOWE].

Mr. TOWE. Mr. Chairman, I have received some mail from veterans who have retired which indicates that they have in their minds the question of whether or not, having served abroad, they are entitled to mustering-out pay. As I read the third paragraph on page 6 of the bill, it appears to me that those who have served abroad who have been voluntarily retired, are entitled to mustering-out pay and I would like, if I am correct in that conclusion, to have the gentleman from Ohio [Mr. ELSTON] confirm it.

Mr. ELSTON of Ohio. Mr. Chairman, I say to the gentleman that he is correct in that. At least this section provides that those members of the armed forces who have voluntarily retired from the service after a period of service in the United States are not entitled to mustering-out pay, but those who were in service outside of the United States are entitled to it.

Mr. SHORT. I yield now to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection? There was no objection.

Mr. PHILBIN. Mr. Chairman, the principle of mustering-out pay as embodied in this bill seems to me to be sound and unanswerable. Even now before the war is over, an amazing number of our young men have for some reason or other already been discharged from our armed services. Very many of them have returned to their home communities disabled, sick, unadjusted, and unemployed. Often in need of funds to reestablish themselves in civilian life, pending the time when they secure jobs, many of them will never be able to work again. Many more will have to await a long period of recuperation and recovery before they can resume employment.

Mustering-out pay will be of inestimable help to all these boys. It will give to the disabled, the wounded, the mentally sick or otherwise incapacitated veterans badly needed funds to tide them over the waiting period until the Veterans' Administration adjudicates their claims. It will give to all others, entitled under the salutary provisions of the bill, financial means to carry them across the difficult bridge between military and civilian life and provide for them until they are once again restored to adequate civilian employment.

Measures like this, which entail considerable expenditure of Government money, invariably meet with some protest that the United States Treasury cannot stand the burden of expenditure. I think that most of us have a full recognition of the urgent need of cutting down and minimizing Government expenditures, but are unwilling to commence that process by denying to our worthy veterans reasonable and generous provisions for their care, treatment, hospitalization, and reestablishment in civil life. I think we are all agreed that we must be liberal and generous in all the allowances intended to benefit our returning veterans.

As compared with those who remain behind in war industry, receiving bountiful and skyrocketed war-time wages, our service boys have made bitter sacrifices. Not only have they left their homes and families, not only have they left highly paid jobs, lucrative professions and callings, but in large numbers they have faced and suffered the shot and shell of our brutal enemies. They have known the true meaning of patriotic sacrifice and they have rendered conspicuous, unselfish service to their country.

True, we cannot measure these sacrifices and these services in terms of monetary or material value. That would be impossible because the urge of patriotism, love of country, and willingness to fight and die, if necessary, to preserve our cherished institutions spring from the deepest wells of our noblest human emotions. But we can endeavor, in some small way, as we seek to do, in part, by the enactment of this measure, to demonstrate the fact that this Congress and the American people are not only willing but determined that every measure of national appreciation and national gratitude is shown to those who have offered their all in unstinted, unremitting fashion, so that our country may be preserved and so that our democratic institutions may be insured present and future security.

These boys have given uncomplaining and unrestrained service. For our part, we cannot permit them to be in need of funds when they return home. We must provide them with the means to readjust and reestablish their due and proper station in life, to resume their occupations, and to get in a position where they can take care of themselves and families.

Thus in yielding up a truly generous portion of our national treasure for these well-justified ends, we must have ever before us the thought and the recognition that while mustering-out pay, bonuses, vocational education, and other benefits are necessary, judicious, and wise, that the best service and the best repayment we can give to these boys is to arrange our national economy so that when this war is over they will return to a nation strong in heart, strong in fiber, strong in physical strength and resources, where they can obtain jobs at decent wages under the same system of free enterprise they left behind, which will permit them to enjoy in a fair, just, and generous measure the benefits of democracy and freedom and the rich fruits of American industry, American free opportunity, and American initiative.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I find no fault with those Members who disagree with me, but I must confess that I have heard all of these arguments against a rational mustering-out pay bill during the bonus debates years ago. They are just a repetition.

Permit me to say in the beginning that in legislation of this kind we are not concerned particularly with individual cases, but with the law of average. I am not concerned with funeral expenses, because the dead cannot appreciate those, although the living relatives may get comfort out of that. I am more concerned with those who are still alive, with the human element that enters into their cases.

I am also aware that our Nation has done more for its soldiers than any other nation, but we also have done more for all of our citizens, and that is not a fair comparison. It is not a fair comparison to say that we treat our soldiers better

than Japan treats hers, or than China treats hers. That is no reason why we should not treat American soldiers according to the American standard of living.

That is not the question. The question is, What are we able to do and what have our soldiers a right to demand from us in comparison with those of us who stay at home and let the soldiers do the fighting? My good friend from California seems to begrudge the fact that a member of his own committee asked \$1 a day additional pay for the servicemen. Does he forget that he is also a public servant, and I will admit a good one? Does he not know that he is being paid \$27.77 a day for his services? Why then should he begrudge a dollar a day to the men who are fighting so that his Government may continue his employment at \$27.77 a day?

I am fully aware also that this is just a mustering-out bill. Therefore we have provided in the amendment that I am going to offer, representing some 50 Members of Congress, that we should muster them out at \$100 if they have been in service less than 30 days. No Member of Congress can object to that. Then in this amendment we have added an additional 3 months' pay for those who have served over 30 days but less than 3 months; and an additional 6 months' pay for those who have served over 3 months but less than 6 months; and an additional 9 months' pay for those who have served 6 months but less than 9; and, finally, an additional 12 months' pay for those who have served 9 months or more.

The amendment provides that this be done at the rate of \$50 a month, because many of the veterans themselves have asked that; that is, those from whom we have received letters. They do not want it in a lump sum because they want it so they can continue to support themselves until they get back into actual civilian life.

That I am sure is the better way. The difference between our bill and the committee bill is this. We agree with them that a certain number are not to receive more than \$100 mustering-out pay. Then we provide for additional monthly payments of \$50. These payments to continue for 3 to 12 months, depending upon the length of service. Our minimum is \$100. Our maximum is \$700. Surely that is not too much to muster out the men and women who have been in the service for 9 months or more.

Again permit me to suggest that this is not a question of getting votes. I am very sorry if there is any Member here that considers that. This is a question of doing justice to the American veteran. The suggestion has been made that some have received no letters from the veterans of World War No. 2. If you have not, it is because the veterans thought you were too tough to consider it. I have received hundreds of letters and if you have any doubt of that come to my office and I will show them to you.

The CHAIRMAN. The time of the gentleman has expired.

[Mr. O'HARA addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. SHORT. Mr. Chairman, I am happy to yield the remainder of my time, 9 minutes, to the learned jurist and distinguished and able chairman of the Committee on the Judiciary, the House philosopher, the gentleman from Texas, Judge SUMMERS.

Mr. SUMMERS of Texas. Mr. Chairman, I appreciate very much the courtesy of my distinguished friend and colleague the gentleman from Missouri, [DEWEY SHORT], who delivered in this Chamber today one of the most eloquent, statesmanlike speeches that has been delivered here in my time.

I was here during the First World War. I saw then on occasions, demonstrations of ability, courage, and practical, sound judgment, when circumstances challenged the Members to forget that there was any dividing line between the Democrats and the Republicans in this Chamber. That spirit is in this Chamber today. From what I hear from our fighting forces, our boys have matured very rapidly under the influence of danger and responsibility. Their judgments have developed. They are concerned to come back to a country worthy of their suffering and their sacrifice. They have a right to expect us more firmly to establish and preserve for them the opportunities of free government when they come home, those who do come home. We know, and they know, that every dollar that will be authorized from this time forward by such legislation as is here pending and all other appropriations, these soldiers and others of their generation and their children are going to have to pay. We of this generation are not going to pay these billions of dollars already owing by this Government. All of this talk about what we are giving them is just funny. If we add another increase to this army of administrators and bosses of the people, they will have to pay that too. Then they have got to pay the interest on these debts. We are the trustees of our soldiers in these appropriations. Our faces are going to be mighty red when they ask us how it came about that we incurred some of these debts—avoidable debts, some of them, which got political advantage for us maybe—and then we charged the debts up to them.

We may have fooled their daddies, but we are not going to be able to fool the sons by scattering money around which we have borrowed on their credit. Our boys are dying now in the jungles of southern seas because, when we ought to have been exercising caution, we were strutting our stuff, saying we could "whip Japan before breakfast." Egotism breeds incaution. Incaution breeds disaster like that at Pearl Harbor that Sunday morning. We have not yet acquired the solidarity which comes with the consciousness of a common danger.

Donald Nelson had something to say in the papers this morning about the lack of unity, the lack of oneness-of-purpose, of the American people. This Congress, by its attitude, can do much to straighten that thing out. Deep lines of cleavage run through the whole internal structure of our people, still struggling

for private profits and private gains. Cleavages are everywhere. Failure of the American people to rectify these weaknesses makes it impossible to give our men the strength which only unity of effort and singleness of purpose can give. That failure cannot be answered by appropriation of money—money which these boys will have to pay. These professions of interest and concern, which increase as we approach the election, are not a good sign. These soldiers know it. These men and women do not want to come back to be coddled by an army of coddlers who are living off of them while they coddle. They want to come back as free men and women, to free opportunity in a free country. Lots of things will have to be done. They know that the money spent they will have to pay. They have a right to expect economy in expenditures and to be protected against the hazards of inflation or repudiation resulting from any reckless piling up of a debt beyond their capacity to pay. These are the things which, if we will do them, will win for us the respect and confidence of these soldiers.

I am proud of this committee. Two fine Texas men are members of it. I have asked for the opportunity to speak these words of appreciation in behalf of the committee. I believe I express the sentiment of the Army and the Navy personnel. During World War No. 1 I saw Mr. James Mann, Republican leader, come to the well of the House and Democrats were in control, but this aisle did not separate the Democrats and Republicans then. This aisle does not separate Members of this House today.

The CHAIRMAN. The time of the gentleman from Texas [Mr. SUMMERS] has expired.

All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That (a) except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

(b) No mustering-out payment shall be made to—

(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the act of June 16, 1936;

(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army specialized training program, (B) the Army Air Forces college training program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said academies; and

(8) any commissioned officer unless he is discharged or relieved from active service within 3 years after the termination of the present war as proclaimed by the President.

Mr. PLOESER. Mr. Chairman, I offer a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. PLOESER: Strike out all of the committee amendment and insert the following as a substitute therefor:

"That (a) subject to the provisions of section 2, each individual who shall have served in the land or naval forces of the United States at any time during the period beginning December 7, 1941, and ending on the date of the termination of the present war as proclaimed by the President, and who shall have been separated from such service under honorable conditions or released from active duty—

"(1) shall be paid discharge or mustering-out pay to persons who shall have been in active service during the present war for more than 12 months, shall be in the sum of \$400; to persons who shall have been in the active service during the present war for less than 12 months but for more than 6 months, shall be in the sum of \$300; to persons who shall have been in the active service during the present war for less than 6 months but for more than 3 months, shall be in the sum of \$200; to persons who shall have been in the active service during the present war for less than 3 months, shall be in the sum of \$100. One hundred dollars of such pay shall be paid to all eligible persons at the time of separation from active duty by the Secretary of War to those who have served in the Army of the United States, and by the Secretary of the Navy to those who have served in the United States Navy, United States Marine Corps, and the United States Coast Guard. The remaining amount, if any, shall be paid in monthly installments of \$100 each by either the Secretary of War or the Secretary of the Navy."

"(b) Members of the armed forces entitled to discharge or mustering-out pay who shall have been separated from active duty under other than dishonorable conditions before the effective date of this act shall receive the first installment or lump-sum payment, whichever may be applicable of their mustering-out pay 1 month after the effective date of this act.

"(c) If any member of the armed forces, after his separation from active duty, shall die before receiving the full amount of the discharge or mustering-out pay payable to such person, the amount which he or she would have received had he or she lived shall be payable to the surviving widow or widower, and if no surviving widow or widower, then to the child or children, equally di-

vided, and if no surviving widow or widower, or child or children, then to the surviving parent or parents in equal shares.

"(2) shall be paid each month, during a succeeding period to that provided by payments referred to under subsection (a) (1) and not to exceed a total period of 12 months, extended discharge or mustering-out pay consisting of the sum of \$60.

"(b) The period of 12 months referred to in subsection (a) (2) shall commence on the date of separation from service or release from active duty, or on the date of the enactment of this act, whichever is the later.

"SEC. 2. (a) All payments provided for by this act shall be made by check. Each check covering extended pay shall include, as a part thereof, a form of voucher suitable for use by the payee in giving information under oath as to his income during the month covered by such check.

"(b) The payee of any check covering extended pay shall fill out and execute the voucher on such check so as to state under oath the amount of his income for the month covered by such check, and such check may be cashed only if such voucher is so filled out and executed. The amount of the check covering extended pay for the next month shall be reduced by the amount of income stated in such voucher. In the event that, due to the amount of income stated in any such voucher, the individual is not entitled to any extended pay for the next month, no further payments of extended pay shall be made to such individual; except that, if thereafter his income for any month is less than the extended pay provided for in his case under section 1 of this act, he may apply for extended pay covering such month, stating in such application under oath his income for such month, and payment to him of extended pay shall thereupon be resumed, appropriate deduction being made on account of such income. No deduction shall be made from the amount of the extended pay of any individual for the first month of the 12-month period referred to in section 1.

"(c) Failure to require identification of any individual for whom any check issued under this act is cashed shall not relieve the United States of liability for payment of such check.

"(d) Payments provided for by this act shall be made, as far as practicable, without the individual entitled thereto being required to make application therefor, but in the case of individuals separated from service or released from active duty prior to the enactment of this act, and in any other cases where the making of an application is necessary, application shall be made in such form and manner as may be required by regulations which shall be prescribed jointly by the Secretary of War and the Secretary of the Navy.

"(e) As used in this section, the term 'income' means income from any source, exclusive of amounts received pursuant to the provisions of this act.

"Sec. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act. The Secretary of War and the Secretary of the Navy shall administer this act within their respective services."

Mr. MAY. Mr. Chairman, I make a point of order against the substitute amendment on the ground that it is not germane to the pending bill.

The CHAIRMAN. Does the gentleman from Kentucky wish to be heard on the point of order?

Mr. MAY. The objection to the amendment lies on the ground of germaineness. Not only does the bill extend the pay of Army personnel but it also

constitutes what in essence is an amendment to the income tax law and to the compensation statute.

The CHAIRMAN. The point of order is overruled.

The gentleman from Missouri is recognized for 5 minutes.

Mr. PLOESER. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PLOESER. Mr. Chairman, the difference between the bill I have offered as a substitute to the committee bill and the committee bill is found basically in two categories. The first, the mustering-out-pay provision, differentiates in amount according to length of time in the service. The committee bill states that everybody who has served over 60 days, or 61 days or more, shall receive the amount of \$300, \$100 to be paid at the time of discharge and \$100 in each of 2 succeeding months. My bill is almost identical to that recommended by the American Legion with the exception of the upper bracket of \$500, which has been deleted. Those who have served over 12 months are to receive an amount of \$400, \$100 to be paid at the time of discharge, and the remaining portion in payments of \$100 for 3 succeeding months. Those who have served for more than 6 months would get \$300 payable in the same fashion; and those who have served more than 3 months but not more than 6 would get \$200 in the same fashion. Those serving under that length of time would get \$100. This provides a more equitable adjustment of payment.

In the matter of dollars and cents there is no one who can accurately estimate what either this bill or the committee bill will cost, but from the averages I am inclined to believe after considerable study that my bill will cost in total dollars and cents less than the committee bill, because the committee bill pays everyone who has served 61 days or more \$300.

The second feature of my bill to me is the most important thing to be considered regarding these veterans. What these veterans will want, what they now want, is a job. They believe, and I believe, and I hope all the Members of this House believe, that they are entitled to some sort of economic assistance which will bridge the gap for them from the date of discharge to the moment of employment. This substitute provides that after these other payments have been made and in the most extreme case, at the conclusion of 3 months they shall go on extended pay of \$60 a month, the over-all maximum period for all the provisions of the bill being 12 months. After the first month of the \$60 payment their income would be deductible automatically in the provisions I have made in the bill without the necessity of setting up any great new bureau or system of bookkeeping. This arranges the \$60 per month extended-pay feature in such

a manner as to make it terminable with remunerative employment. This thing is not guesswork, this is the result of 2 years' study and inquiry regarding means for the simplification of a method of unemployment compensation insurance. I would prefer, but I thought it not germane, that other allowances might be made in accordance with the existing law by dependencies.

Thinking this feature of the Ploeser bill, H. R. 3911, not germane, I have not introduced it as a part of this substitute. If and when a man earns an income equal to the \$60, he automatically goes off the roll. If 3 months is all that is necessary to get him into employment, he does not become a beneficiary of this \$60-a-month extended pay. If it takes 4 months, he does have a limited period of time. If it takes 12 months, he at least ends up the remaining period with subsistence of some nature, not great, low enough to be an incentive to go to work but sufficiently high to care for him. Surely that is not asking too much. If a man becomes unemployed after he is taken off the rolls and within 12 months from discharge, he may be reinstated by application.

The great problem is not how much are you going to give the veterans when they get out of the service. The basic and most important problem before this Congress is, How are you going to bridge the gap between discharge and job? On the other hand, how are you going to bridge the gap between discharge and the beginning of disability compensation? It would work in the same fashion for disability compensation.

It is easy enough to say that we are going to so improve the detail of the Veterans' Administration and that every man at the date of discharge will immediately receive his disability compensation. As a matter of fact, it is reported in testimony taken by the World War Veterans' Committee of General Hines that there have been 222,000 applications for disability compensation filed since Pearl Harbor but only 119,000 of them have been adjudicated. One hundred and three thousand have not been acted upon. General Hines said that the great problem is personnel; that he cannot get enough medical personnel needed to man the necessary number of rating boards. Some have offered the solution that we not discharge these men until discharge allowance is adjudicated, but these men will want to get out of the Army and Navy. They do not want to be on furlough. Furloughs are not conducive to jobs. They want to be discharged. This provision would bridge the gap between discharge and job, between discharge and disability in a reasonable, respectable manner, and in a comparatively easy fashion from the standpoint of administration of the enormous amount of detail which is going to be necessary.

Mr. McCORMACK. Will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I do not want to interfere with the gentleman's argument, but in view of what the gentleman said about the difficulty of getting medical men on rating boards, I would like to make an observation.

Mr. PLOESER. I merely quoted General Hines.

Mr. McCORMACK. I think the gentleman is correct. I have obtained information today which in my opinion should be interesting to the Members of the House that there are plans underway to have a hundred of the commissioned officers of the Navy assigned to the rating boards for rating purposes.

Mr. PLOESER. I think that is splendid, but we still have an enormous task ahead of us.

Mr. McCORMACK. There is no question about that. I am simply making the observation for information and not to interrupt the gentleman in his speech.

Mr. PLOESER. I thank the gentleman.

Mr. ELSTON of Ohio. Will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Ohio.

Mr. ELSTON of Ohio. I would like to ask the gentleman if his bill recognizes any of the groups that are exempted from payment of mustering-out pay in the committee bill.

Mr. PLOESER. The bill does not represent any differentiation except that every man who is discharged other than dishonorably would qualify to receive these benefits. I would not object to an amendment eliminating students.

Mr. ELSTON of Ohio. Under the gentleman's bill, even students who did nothing but attend school would be entitled to the compensation provided?

Mr. PLOESER. If they are members of the enlisted personnel. It would be limited because of length of service. It must be remembered that the purpose of the bill is to bridge an economic gap. There is nothing in the substitute which I have offered nor is there anything in the committee's bill which is designed to attempt to compensate men for their service in the war. Our problem is to get them back to employment and to keep them out of the bread lines and to do it in a decent, respectable way. It does not matter where a man has served, the same economic problem confronts him when he is discharged.

Mr. HINSHAW. Will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from California.

Mr. HINSHAW. While the substitute was being read, I think I heard that the military personnel discharged must have been discharged under honorable conditions. Everyone here knows that there is a blue discharge that is not honorable, neither is it dishonorable, yet those with a blue discharge are as much entitled to compensation, in my judgment, as are any of those who received the full honorable discharge.

Mr. PLOESER. My judgment is the same as the gentleman's. The substitute reads: "From such service under honorable conditions or released from active service." So the man with a blue discharge would come under the provisions of this bill.

Mr. HINSHAW. I hope it does take in the blue discharge. I know boys who have received blue discharges for medical reasons which were no fault of the boys whatsoever.

Mr. PLOESER. Yet they have had an economic disturbance caused by their induction into the service.

Mr. HINSHAW. That is quite right.

Mr. PLOESER. And they are entitled to that bridge over the economic gap which is likely to exist for some period of time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill S. 1543, to provide for mustering-out payments to members of the armed forces and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial published in the New York Daily News.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. KENNEDY]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, it has been stated this afternoon that there should be a comprehensive study made of the veterans' needs and legislation provided for that purpose. I may say that the World War Veterans' Legislation Committee is considering a very comprehensive plan suggested by the American Legion and other veterans' organizations have been heard concerning a program of veterans' security.

I ask unanimous consent that the bill which the American Legion requested the chairman of the World War Veterans' Legislation Committee to introduce and of which I was requested to introduce a duplicate bill may be included in the RECORD as a part of my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

The matter referred to follows:

A bill to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans

Be it enacted, etc., That this act may be cited as "The Servicemen's Aid Act of 1944."

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS AND PROCEDURE

SEC. 100. The Veterans' Administration is hereby declared to be and is hereby constituted an agency of the United States vital and essential to the successful prosecution of the present war, and as such agency the Veterans' Administration shall be entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service.

SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital beds for war veterans, and to enter into agreements and contracts for the use of permanently constructed Army and Navy hospitals by the Veterans' Administration after cessation of hostilities and after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish regional offices, sub-offices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such facility is not readily available or accessible.

SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, supplies, equipment, and material as may be needed to operate properly such facilities, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged from military service.

SEC. 104. No officer or enlisted man or woman shall be discharged or released from active duty until his or her certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or her or to his or her next of kin or legal representative, and no wounded, diseased, or handicapped member of the active armed forces shall be released from active service until and unless adequate provisions are made for him or her under the laws and regulations administered by the Veterans' Administration.

SEC. 105. No officer or enlisted man or woman suffering from disease or injury shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of such disease or injury or any

other statement against the interest of the officer or enlisted man or woman. In the adjudication of any claim against the United States of such officer, enlisted man or woman, all Government agencies are hereby authorized and directed to disregard and to hold for naught any such statements heretofore signed by such officer, enlisted man or woman.

CHAPTER II—AID BY VETERANS' ORGANIZATIONS

SEC. 200. That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of accredited representatives of the veterans' organizations specified in section 200 of the act of June 29, 1936, Public Law No. 844, Seventy-fourth Congress, and each other organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning of such accredited representatives in military or naval installations from which persons are discharged from the active military or naval service.

SEC. 201. The necessary regulations shall be promulgated to accomplish the purpose of the foregoing paragraph and in the preparation of such regulations the national officer of each of the recognized organizations responsible for claims and rehabilitation activities shall be consulted. The commanding officer of the military and naval installations shall cooperate fully with such authorized representatives and shall provide any necessary space and available equipment for such representatives.

CHAPTER III—REVIEWING AUTHORITY

SEC. 300. The discharge or dismissal of any person from the military or naval forces on the ground that he or she was guilty of mutiny, treason, spying, or any offense involving moral turpitude or wilful and persistent misconduct of which he or she was found guilty by a court martial, or that he or she was a conscientious objector who refused to perform military duty or refused to wear the uniform, or a deserter, shall bar all rights under any laws administered by the Veterans' Administration: *Provided*, That in case any person has been discharged or dismissed from the military or naval forces as a result of a court martial trial, and it is thereafter established to the satisfaction of the Administrator that at the time of the commission of the offense resulting in such court martial trial and discharge such person was insane, such person shall be entitled to benefits in accordance with the laws administered by the Veterans' Administration.

SEC. 301. The Administrator of Veterans' Affairs is hereby authorized and directed to confer with the Secretary of War and the Secretary of the Navy for the purpose of establishing boards of review in the War and Navy Departments composed of five members each whose duties shall be to review, upon the request of a former officer or enlisted man or woman, the type and nature of his or her discharge or release from active duty. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the act of June 29, 1936, Public Law No. 844, Seventy-fourth Congress. Such board shall have authority to change, correct, or modify any discharge or release from active

marks in the Appendix of the RECORD and include therein a newspaper article from the New York Herald Tribune.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

FIGHT AND VOTE

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?
There was no objection.

Mr. LANE. Mr. Speaker, we are reliably informed that 10,000,000 American men and women are serving in our armed forces. Perhaps a million more will be called into service by the end of 1944. Already nearly 700,000 persons have been demobilized because of physical injury or mental disturbance. These young Americans have given and are giving of their best in the service of their country. They are called upon to assume responsibility and make decisions as soldiers which are more significant than any they might be called upon to make in civilian life. Living life as they do, acting in the interest of their Nation and their comrades, matures men. Certainly, then, it is not too much to expect that men called upon to fight and die for their country should be allowed to vote and express their choice in regard to their country's future. Let us be consistent—men who are called on to die should be given the right to vote. Let us resolve to pass legislation as soon as is possible to accomplish this purpose.

MABEL T. BOARDMAN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include therein a tribute paid by the Chief Justice of the United States to Miss Mabel T. Boardman yesterday.

The SPEAKER. Is there objection?
There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. LEWIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein also a letter.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include on two different occasions two different letters.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

THE SOLDIERS' VOTE BILL

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 whole minute.

The SPEAKER. Is there objection?
There was no objection.

Mr. FISH. Mr. Speaker, time is of the essence. The chairman of the Committee on Rules is fooling no one but himself by refusing to call a committee meeting on the soldiers' vote bill. Alibis and excuses about prior committee hearings is political buncombe and partisan humbug. There was no meeting of the Rules Committee called this morning, and I rise to demand that the chairman stop delaying the consideration of this important war measure.

The public is entitled to know the facts. If there is any further stalling by the chairman of the Committee on Rules, it is up to the members of the committee, both Republicans and Democrats, to place the responsibility publicly and to insist on an open rule on the soldiers' vote bill Thursday, preferably, but not later than next Monday in order to bring it up in the House on Tuesday for consideration and amendments.

The Republican Members will, I am sure, support a wide-open rule to permit any germane amendments. The talk of a gag rule emanates from the Communists, the Daily Worker, PM, and Walter Winchel—who is doing more than anyone in America to create racial disunity and anti-Semitism—in their consistent efforts to undermine the faith of the American people in our representative and constitutional form of government. No member of the Rules Committee, nor any Member of the House, has ever advocated a gag rule on the soldiers' vote bill.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

A TRIBUTE TO LABOR

✓ Mr. COFFEE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE. Mr. Speaker, at a time when countless words have been spoken condemning organized labor, it is only fair and just that the people of the United States should know of the whole-hearted cooperation which labor unions are giving to governmental programs which are unspectacular but essential to winning the war. Too often the light of publicity never shines upon the day-

to-day activities of organized labor which result in tremendous gains upon the home front. In the fields of production, transportation, and distribution of goods for our armed forces and for our civilian population labor organizations are rendering yeoman service and are hastening the day of peace.

Labor cooperation in the Government's food-management program was strikingly exemplified in Chicago on January 12. At a stirring meeting at the Hotel Sherman, attended by 3,300 members of Local No. 734, Bakery, Cracker, Pie, and Yeast Wagon Drivers' Union, A. F. of L., the union pledged itself to 100-percent compliance with Food Distribution Order 1, which prohibits consignment selling of bakery products. Convinced that F. D. O. 1 is a necessary and patriotic measure in wartime, the drivers have accepted the challenge of its provisions and are actively cooperating with industry and the Government in order that the distribution economies intended by the order can be fully realized.

Under the leadership of President William Lee, Local No. 734 has an enviable record for patriotic activity. Nearly half its members are blood donors, many of them having made several donations. Purchases of War bonds are notably high in this group, and special money contributions from members recently went for the purchase of ambulances for the Government.

This is but one example of the practical patriotism which motivates millions of American workers to set an example of cooperation with Government which should inspire every citizen of our great country.

The SPEAKER. The time of the gentleman from Washington has expired.

EXTENSION OF REMARKS

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter from a constituent.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

(By unanimous consent, Mr. MILLER of Nebraska, was granted permission to extend his own remarks in the RECORD.)

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that upon the conclusion of the legislative business and any other special orders on Wednesday, and also on Thursday of next week, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?
There was no objection.

EXTENSION OF REMARKS

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

SOLDIERS' VOTE LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection? There was no objection.

Mr. RANKIN. Mr. Speaker, this morning's issue of the radical paper called PM, which is known as the uptown edition of the Communist Daily Worker, and is financed by that wealth of Marshall Fields that is escaping taxation, says that I am asking for a "gag" rule on the soldiers' absentee voting bill. There is not a word of truth in that statement.

What PM is trying to do is to muddy the waters and create confusion in the minds of the voters. However, the people of the country are not being misled, but the various States are cooperating by passing enabling legislation.

What I am asking for is for the chairman of the Rules Committee [Mr. SABATH] to call the Rules Committee together and give us an open rule, so that we can vote now and pass this legislation immediately.

While the States of the Union are trying to cooperate in every way to make it possible for the men and women in the armed services to vote in the coming election for everything from President to constable, the chairman of the Rules Committee [Mr. SABATH] ought to call the committee together and help us speed up this legislation.

The SPEAKER. The time of the gentleman from Mississippi has expired.

CALL OF THE HOUSE

Mr. ARENDs. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 3]

| | | |
|---------------|---------------|---------------|
| Anderson, | Fitzpatrick | Howell |
| N. Mex. | Forand | Jackson |
| Brooks | Fuller | Jones |
| Carrier | Furlong | Kleberg |
| Chiperfield | Gamble | LaFollette |
| Cooley | Gathings | Larcade |
| Courtney | Granger | Lea |
| Dies | Hare | Luce |
| Dirksen | Harness, Ind. | Magnuson |
| Domengeaux | Hébert | Maloney |
| Engle, Calif. | Harter | Morrison, La. |
| Fernandez | Hoch | Mott |

| | | |
|-----------|---------------|-------------|
| Murphy | Schuetz | Whitten |
| Newson | Sheridan | Wickersham |
| Norton | Simpson, III. | Wiggleworth |
| O'Leary | Sparkman | Wilson |
| Phillips | Taylor | Winter |
| Rivers | Treadaway | Zimmerman |
| Robertson | West | |

The SPEAKER. On this roll call 371 Members have answered to their names, a quorum.

On motion of Mr. McCORMACK, further proceedings under the call were dispensed with.

CORRECTION OF RECORD

Mr. REECE of Tennessee. Mr. Speaker, on January 18, 1944, I inserted in the Appendix of the CONGRESSIONAL RECORD an article on misconceptions about Lea's civil aeronautics bill (H. R. 3420), created by proponent's bill.

In reviewing my remarks I find a typographical error was made which I ask to have corrected as follows:

Page A262, second column, next to last paragraph, and next to the last line of that paragraph, strike out the word "under" and insert the word "without."

Mr. Speaker, I ask unanimous consent that the RECORD may be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. REECE]?

There was no objection.

MUSTERING-OUT PAYMENT BILL OF 1944

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1543) to provide for mustering-out payments for members of the armed forces, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1543, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday the gentleman from Missouri had offered a substitute amendment to section 1 of the bill as a substitute for the committee amendment. The question is on the amendment offered by the gentleman from Missouri [Mr. PLOESER].

Mr. MAY. Mr. Chairman, I would like to secure an agreement as to the length of time of debate on the pending amendment.

I ask unanimous consent that all debate on the substitute amendment to section 1 and all amendments thereto close in 30 minutes.

Mr. PLOESER, Mr. CELLER, and Mr. SHAFER objected.

Mr. CELLER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER to the substitute amendment offered by Mr. PLOESER: On page 1, line 4, after the words "naval forces" insert "and merchant marine."

Mr. CELLER. Mr. Chairman, my purpose in offering this amendment to the Ploeser substitute is to draw attention to the need for offering at least a modicum of security by way of a bonus or

discharge pay to the members of our merchant marine. I think the time has now come when we can no longer hide our heads in the sand. We must take cognizance of the tremendous sacrifices that are being made by our merchant seamen for victory.

A recent study made by the United Seamen's Service, a semigovernmental agency whose executive committee is composed of members of the War Shipping Administration, shipowners, and the maritime unions, shows that the annual wage of seamen averages only \$1,677, including bonuses and overtime. This study includes a statement released by the Office of War Information reporting that

The annual income of the lowest paid Army private has been estimated by Federal authorities to be equivalent to \$1,700 a year when consideration is given to the value of food, shelter, clothing and equipment, medical, dental, and hospital care, and saving on other personal expenses.

This \$1,700 figure compares favorably with the general average for seamen.

It would appear, unfortunately, that a large number of Americans have been led to believe that the incomes of seamen are higher. Seamen are even excluded, for example, from the 1936 Unemployment Compensation Act, and while working under conditions similar to those of the armed services receive none of the rights, benefits, or privileges of the latter group. You may recall that President Roosevelt recently identified the role of merchant seamen as of importance equal to that of members of the armed forces. Why not, therefore, a common mustering-out pay for seamen, soldiers, and sailors?

The other evening I was in the company of a number of merchant seamen. They hail from my own bailiwick in Brooklyn. Seven or eight of them told me they had had their ship torpedoed from under them four and five times. They had spent hours and hours in the water clinging to life rafts. They often despaired of ever seeing again their homes, hearths, and loved ones. They had gone through the most harrowing experiences. Such trial and tribulation, such patriotism must not remain unrewarded. The Nation can show its gratitude by acceding those brave men the same treatment as accorded our fighting men. Seamen also fight—fight the subs and terrors of the deep.

The number of dead among the merchant seamen, comparatively and on a percentage basis, is far greater—far greater, I emphasize—than that of all the members of our armed forces. They go through the most wretched experiences often ending in the last call. Many have gone through the valley of the shadow. Yet those who escape the terrors of the submarine come back, in common parlance, for more punishment. They are ever anxious to get back to their ship and to carry our men and goods across. They man veritable bridges across the seven seas over which run the men and ammunition. Ships and seamen in this war are as essential as guns, tanks, planes, and soldiers.

This amendment will not involve too great an amount of money because, as you know, we have been building a huge number of ships across both oceans. It is contemplated to construct in 1944 24,000,000 tons of ships. We constructed 16,000,000 tons during the past year. I am sure it is not in the contemplation of anyone to buckle those ships together again as we did after the last war and let them rot in our harbors. We are going to use those ships. They will carry our flag and commerce to every port as in the halcyon days of the clipper ships. So there will not be too many of the seamen mustered out if we use those ships. Crews will be needed. These robust and daring seamen will continue the service that makes Uncle Sam proud of them.

With reference to the dangers inherent in a merchant seaman's work, the percentage loss of merchant seamen was more than eight times as great as in the armed forces. Between December 1, 1941, and December 31, 1943, the armed forces have lost 0.668 percent of their total manpower. The merchant marine has lost 5.6 percent. Therefore, the total losses of the armed forces represent only 11.9 percent of the total loss of the merchant marine, as given in percentage. The startling low wages and the extreme hazards suffered by merchant seamen make it imperative that Congress enact protective legislation, such as mustering-out pay, immediately.

Because of the arduous nature of their work and the constant dangers under which they labor, many merchant seamen are having a difficult time readjusting themselves upon returning from the war zones. The merchant marine is growing more than threefold. These new seamen are patriotic Americans who have left safer and better-paying shore-side jobs for the duration to deliver the goods. After the war many expect to return to their homes. Muster-out pay for these men is essential for a speedy readjustment to a productive peacetime civilian life.

I submit a schedule showing total losses of the armed forces of the United States and the merchant marine: Killed, captured, and missing between December 1, 1941, and December 31, 1943, compared with total manpower as of December 31, 1943:

| Service | Losses from Dec. 7, 1941, to Dec. 31, 1943 | Total manpower, Dec. 31, 1943 | Percentage loss to total manpower |
|----------------------------|--|-------------------------------|-----------------------------------|
| Army..... | 63,445 | 7,500,000 | 0.858 |
| Navy..... | 3,097 | 2,389,000 | .129 |
| Marines..... | 8,381 | 403,000 | .038 |
| Coast Guard..... | 78 | 173,000 | .045 |
| All military services..... | 70,001 | 10,465,000 | .668 |
| Merchant marine..... | 5,366 | 98,000 | 5.6 |

Total losses of the armed forces represent 11.9 percent of the total losses of the merchant marine.

Source: Army, Navy, Coast Guard and War Shipping Administration.

Mr. GAVIN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, we all recall the thankfulness in our hearts on the day that ended World War No. 1. We recall too the load of anxiety that was lifted from the world of mothers' hearts and how a war-torn world turned back to peace with profound thankfulness to God and thankfulness to the boys who paid for it with their lives.

We now pray that the day is not far distant when again we can offer thanks to the Almighty for the end of World War No. 2, and offer our gratitude to the thousands of men who have already paid and those who will pay the cost with their lives, and those blind, crippled, and maimed with their broken bodies and distorted limbs who will return to live among us.

We are now considering legislation to remunerate the veteran over a period after his discharge to permit him again to find his place in life.

As one veteran of World War No. 1, I am of the opinion that it should be sufficient to enable him to meet the demands that will be made upon him during this critical period.

I often thought of the man who got \$60 discharge pay in World War No. 1, and a railroad ticket to his home town; that if he had no relatives he was dependent upon charity or his wits until he found a job and his place in life.

Jobs at that time were not very plentiful, and nobody was seemingly greatly concerned about finding them for the serviceman.

We have heard some of the distinguished Members talk about the \$300,000,000,000 indebtedness. We have heard that \$100 mustering-out pay will be ample. All I can say is that if a man is married and has two or three children and has \$100 for a period of 30 days, it will not take him or his family very far.

We here in America live in security, free from the horrors of night bombing, most of us carrying on with a few discomfitures, and I want to state that this matter deserves the serious consideration of every Member of this House. If it takes every penny we have to take care of these boys, it would be worth it. We all talk about sacrifice for the war effort. Who is making this sacrifice? The youth of America. We are doing the talking. They are doing the fighting that permits us to do the talking.

We set up \$65,000,000,000 for lend-lease; we spent \$2,700,000,000 on the good-neighbor policy; we dumped \$134,000,000 down a rat hole for a project in the Canadian wilderness; and here today we are considering the veteran who uncomplainingly is doing a great job, turning in a brilliant performance in the various theaters of war—on land, in the air, and on the sea.

Men who are getting shot up in the mud of Italy, blasted out of the air, dying like rats in the submarines or burning oil on the seas; men who are undergoing the horrors and hardships of war—the cold and the heat, the filth and fatigue, the misery and the mud—and not one of them being able to offer an opinion as to whether or not \$100 per month for a

period of 3 months will see them through the readjustment period.

If we were to experience the hardships that these men on the various fighting fronts are undergoing, I think that we would have a more generous attitude toward these men who over the months that lie ahead will need our help.

Nothing that we can offer them can ever compensate them for the miseries of mental and physical tortures of mechanized warfare.

No words of mine, I know, can change this situation; however, I do want to be recorded that I think they should receive the largest amount possible to tide them over as an expression of gratitude and appreciation for the sacrifices that they are making in the springtime of their lives.

[Mr. PACE addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. CELLER] to the substitute amendment offered by the gentleman from Missouri [Mr. PLOESER].

The question was taken, and the amendment was rejected.

Mr. SHAFER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SHAFER: Amendment to the substitute bill, subsection (e), section 2, insert the following additional subsection, to be known as (f):

"(f) No payment whatever under this act shall be made to—

"(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

"(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

"(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

"(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the act of June 16, 1936;

"(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army specialized training program, (B) the Army Air Forces college training program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

"(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

"(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United

States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said academies; and

"(8) any commissioned officer unless he is discharged or relieved from active service within 3 years after the termination of the present war as proclaimed by the President."

Mr. SHAFER. Mr. Chairman, my amendment merely covers into the Ploeser substitute sections 1, 2, 3, 4, 5, 6, 7, and 8 of the committee bill. These sections deal with those servicemen the committee believes are not entitled to receive mustering-out pay. I believe my amendment should be adopted if favorable consideration is to be given the Ploeser substitute.

I regret I was unable to be present at the hearings on this legislation. I was prevented by injuries that caused me to be hospitalized most of the month of December. Had I been able to be present I am not so sure that the committee bill would have been unanimously reported.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. SHAFER. Not now, but I shall be glad to yield to my colleague on the committee as soon as I have finished my statement.

Much has been said regarding the merits of the committee bill, Mr. Chairman, but there still remains the question of whether the bill will meet the economic needs of the veterans when they are discharged from the service. I am not so sure that it will.

Of course, many veterans will step right out of the Army or Navy into good jobs in industry. But, too, there will be thousands of others who will not be able to find immediate jobs and will not be able to reestablish themselves in business.

The economic needs of each veteran must be met by this legislation. I dislike to disagree with the committee but I believe the Ploeser substitute comes nearer to accomplishing what is intended here. It will not overpay those who are fortunate enough to find immediate work and it will not overpay those who are unable to find immediate jobs. It will also take care of those disabled veterans pending the adjudication of their claims for compensation.

Of course, we have been told that the Veterans' Administration is now in a position to expedite the adjudication of those claims, but the fact remains and I have this on good authority, that the Veterans' Administration is today 10 months behind in the consideration of the claims now on file. Remember that the heavy end of this job is yet to come.

I did not hear the testimony of General Hines before the Committee on World War Veterans' Legislation recently, but I have been told that he made a statement that some 200,000 applications for compensation had been filed since Pearl Harbor and up to December 1, 1943. Out of that number only 119,000 have been adjudicated. As I said before, we have just started on that program. The Ploeser substitute and its method of payment is an intelligent way of handling this matter.

The purpose of mustering-out pay is not to grant a gratuity. It is, as the term suggests, simply to assist the veteran in the transition from the armed forces back to civilian life. As I see it, the Ploeser substitute does just that. It comes closer than the committee bill to meeting the objective once stated by former President Theodore Roosevelt that "A man who is good enough to shed his blood for his country is good enough to be given a square deal afterward. More than that no man is entitled to, and less than that no man shall have."

I hope the House will give every consideration to my amendment and to the Ploeser substitute.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COSTELLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment that has just been submitted to the Committee has been taken almost verbatim out of the House bill as presented to this Committee. It is an indication of just what you are trying to do if you want to rewrite this legislation here on the floor. The Ploeser amendment comes in with a large number of defects and an effort is going to be made now to write intelligence into that amendment and try to make it conform to the legislation that has been presented by the committee. Unfortunately my colleague from Michigan has not favored the committee with the benefit of his advice during the period in which we have had this legislation up for consideration. If he did, and if he had some worth-while suggestions to offer to us I am quite sure we would have been happy to incorporate them in the bill. Today, however, he comes to us complaining about the committee's bill and he is offering as an amendment to the Ploeser amendment the language taken directly from the committee's bill of which he complains. Now I am not going to go into details regarding the Ploeser amendment, but I might point out to you that the language of that amendment provides that the payments can be made to any person who has been discharged from the service—"Period." Now, get that. The Ploeser amendment would give these payments to dishonorably discharged soldiers, and that is what you are going to do if you are going to legislate this way. You do not know the effect of some of the language that is being submitted to the Speaker's desk.

I do not think that the author of the amendment intended that his amendment should read as it does, but here is the language it contains:
who shall have been separated from such service under honorable conditions or released from active duty—
(1) shall be paid—

And so forth. Anyone released from active duty under any conditions whatsoever shall be paid mustering-out pay under the terms of this amendment. Down in subsection (b) of his amendment he restricts those who have already been discharged from the service prior to the passage of this legislation from receiving the pay unless they shall have been honorably discharged. However,

anyone released from active duty from now on shall receive mustering-out pay according to this amendment.

And what else is he doing? The very thing we complained about yesterday. He comes in with a proposition to pay \$400 in four monthly installments and then he adds on to it unemployment compensation for the next 8 months. He can get \$60 a month, or a total of \$720 additional. Now, what is the answer? The \$400 payment may run as high as \$4,000,000,000. The other 8 months of payments may run over \$5,000,000,000 or \$6,000,000,000. His bill most probably would cost more than \$10,000,000,000. What does it do? It provides unemployment compensation to whom? To the unemployed? Not at all, to every single soldier that comes out of the service. If we are going to write unemployment compensation, let us give the compensation to the unemployed, not to all those who are employed, and incidentally, to a small group who happen to not be employed. Let us not confuse our issues here today. The committee has spent a long time studying this legislation. We have proposed mustering-out pay. We have proposed a generous mustering-out pay—\$300 to those who have served over 60 days, \$300 with which to provide themselves civilian clothing and a little pocket change—that should certainly be sufficient for mustering-out pay. But if you are going into unemployment compensation, let us handle that subsequently. Let us provide in the legislation that we will give unemployment compensation to those who are unemployed and not to employed and unemployed alike.

Mr. SHORT. Will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. SHORT. It must not be overlooked that most of the States already have unemployment compensation.

Mr. COSTELLO. That is quite correct.

Mr. SHORT. And in addition to the \$400 provided for in the substitute bill, the veteran is guaranteed \$60 a month up to the limit of 12 months period, until he can find a job. I wonder how many men would seriously go out and hunt for work as long as they could be guaranteed \$60 a month.

Mr. COSTELLO. The gentleman from Missouri presents a genuine question. He will also recall that our committee had testimony regarding conditions in the State of Indiana, where some 15,000 men have already been discharged from the service, yet only 300 of these have applied for unemployment compensation. To these men who have applied, compensation averaging \$60 each has been paid and no more. This definitely shows that at the present time a single payment of \$60 is apparently adequate to take care of the temporary unemployment of those men who are being discharged now. Yet this proposal and others which may be offered will recommend that we continue such payments for at least 1 year.

Let me also call attention to another provision of the Ploeser amendment

with reference to the manner of paying these veterans. It provides that all these payments shall be made by check, and the checks covering the so-called extended payments shall contain a form of voucher which must be filled out and sworn to by the veteran giving information regarding his actual income for the month covered by the check. Then before the next month's checks can be issued, each veteran's account must be examined to determine whether he had any income other than the \$60 payment. If he has received any income, then his check the following month must be reduced by that amount or eliminated entirely for the balance of the period of 12 months should the income equal or exceed \$60. Thereafter payments can be reinstated only upon application by the veteran showing his other income has decreased below \$60. A complicated fantastic and impossible program, if ever there was one. There is no provision requiring the veteran to cash his check before the 30th day of the month or at any time. How checks can be prepared by the first of the following month, when hundreds of them might not be cashed at the end of the previous month is not explained. Yet the Government must adjust the amount of the check the following month nevertheless. I need not mention the difficulty that will ensue where the veteran happens to be living outside the continental limits of the United States and so might not receive his check during the month for which it is intended to be payment. Yet the veteran might still be residing in China, or he might be in Alaska or even closer at hand, as he might be in Hawaii. What is more, the veteran has to indicate exactly what his income is. At the present time an income-tax return is considered to be private. Under this amendment it would be written on this check and go through anybody's hands. I hope this amendment and all amendments to it will be defeated.

Mr. CLASON. Mr. Chairman, I rise in opposition to the amendment offered to the substitute.

Mr. Chairman, the difficulty with the amendment just offered by the gentleman from Michigan is that it includes what is paragraph 3 on page 6 of the committee bill. By his amendment to the substitute it would be impossible for a man who is over 38 years of age who has seen service for 2 or 3 years in the armed forces, who has been a member of the Army since the war started, and perhaps for 18 months after the war started, to receive any muster-out pay. I wish the gentleman from Michigan would strike out from his amendment that section 3. It is possible that some of the restrictions placed upon the payment of muster-out pay are good, but certainly that section is not. In connection with these restrictions which have been placed in the committee bill, I was interested today in the committee when Colonel Beukema, who perhaps knows as much as anyone about the Army specialized training program, told us, with reference to paragraph 5, on page 6, which is also contained in Mr. SHAVER'S amendment, that hardly anyone would

be touched by that restriction. As a matter of fact, all boys who go into the Army specialized training program have to serve for a period of time for basic training, and, as that restriction is worded, it does not cover them at all. As a matter of fact it only covers men who were in the medical schools, dental schools, and veterinary schools at the time they went into service. Obviously it was not the intention of the committee to restrict it to that particular group as against all others in the Army specialized training program.

I feel that not only in respect to paragraph 3, but in respect to paragraph 5, that these restrictions have been drawn altogether too broad and that they are unfair to hundreds of thousands of men who have already been discharged from the service and who are truly veterans of the present World War. There are undoubtedly at the present time 1,000 veterans returned to every congressional district in the United States who, by virtue of some restriction which has been placed in this bill, for the most part this paragraph 3, are going to have a stigma placed upon them by this legislation. They are not going to receive muster-out pay. I say that because these men were in there. They went in there, not because the Army wanted them but because Congress made them subject to the draft. The Army came in and said to our committee, "We want men between 18 and 31." The majority of the committee—and it was a close vote—said, "We are going to take everybody up to 45 under the Selective Service Act." I recall one day early in 1943, or late in 1942, when General Marshall came before our committee and said a bad mistake had been made; that he had gone through the hospitals in the South and that practically all the beds were occupied by these older men. For that reason he felt they should not be in the service. Shortly thereafter the Army adopted the policy of allowing these men, practically directing the men over 38 years of age, to ask for their discharge, telling them in advance that their requests would be granted.

It was not a question of whether you had a job waiting for you back home. Many of these men had sold their farm stock and machinery when they were drafted. Others had been forced to give up good jobs. Now when they have served for 18 months or 2 years, it seems to me they are more entitled to receive this \$100, or \$300, or whatever it may be, than a lot of these boys who go in there and stay for 20 or 30 days. They were older men. They had places in the community, and they were wiped out.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CLASON] has expired.

Mr. ELSTON of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the Ploeser substitute for the committee bill. I believe there are a number of reasons why this substitute should not be adopted.

In the first place, if you will examine the substitute you will find it would be almost impossible to enforce its provi-

sions. You will note that the service man or woman receiving a monthly check for \$60, must indicate on a voucher attached to the check the extent of his income for the period covered by the check. I submit this would be an exceedingly difficult task for a farmer, whose income is received generally when his crops are sold. It might be equally difficult for business or professional men. Only salaried men or women could comply with the requirement.

Then again, as was pointed out by the gentleman from Missouri [Mr. SHORT] awhile ago, if service men and women are entitled to receive \$60 a month for an 8-month period, in addition to the 4-month period during which they receive their \$100 payments, there would be some who would make no effort to obtain employment until the full 12-month period of time had passed.

You will note that no persons are excluded from payments as provided for in the committee bill. The committee bill has excluded eight different groups. For example, we have excluded students whose total period of service has been in the Army specialized training program, or similar programs under the jurisdiction of the Navy, Marine Corps, or Coast Guard. Persons under these groups obviously are not entitled to muster-out pay, yet they all are included in the Ploeser substitute. This would cost the Government many millions of dollars.

Let me point out by way of illustration what would happen in the case of a student under one of the service training programs. These students are receiving \$50 a month. Moreover, the Government is paying their tuition. Formerly their parents were paying it, or they worked to pay it. Those boys, when the war is over would be entitled under the Ploeser bill, to receive not only the muster-out pay amounting to \$400 if they had been in school long enough, but in addition will be entitled to receive \$60 a month for 8 additional months for a total of \$880. This will be in addition to their tuition which the Government pays, and in addition to their service pay which is at least \$50 a month. During all that period they are learning some profession, or at least are studying something which may be useful to them in civil life.

There was testimony before the Military Affairs Committee this morning that there are hundreds of boys today who are simply premedical students. They are in many cases doing exactly what they were doing before they became a part of the Army or the Navy. They are preparing themselves for the practice of medicine. Those boys are receiving \$50 a month, plus their tuition, plus all other benefits accorded to men in the armed forces. Those boys would be entitled to the compensation provided for in the substitute if it is adopted, but would not be entitled to it under the committee bill.

No doubt we are going to have to consider later the subject of unemployment compensation. We are going to have to consider adjusted compensation, but I submit this is not the time to do it. The Adjusted Compensation Act of the First

World War was not passed until that war was over. Perhaps the time to do it this time will be when the present war is over. The matter of unemployment compensation is not something that should be taken up at this time. I believe the attempt on the part of any Member to bring the subject up at this time, however well-intentioned such effort may be—and certainly the able gentleman from Missouri is well intentioned—will only confuse matters and in the end may work an injustice upon those of us seeking to serve by mustering-out-pay legislation. The Military Affairs Committee gave every consideration to every phase of this subject. We decided first of all that we would endeavor to pass solely a mustering-out-pay bill, leaving these other matters for future consideration. That is what the committee endeavored to do in writing the bill before the House today.

I am hopeful, Mr. Chairman, that the House today will consider this solely as a mustering-out-pay bill.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. ELSTON] has expired.

[Mr. MILLER of Connecticut addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. PLOESER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I want to answer some of the statements which have been made in great error by some members of the committee. For the edification of the gentleman from California I will read very briefly from the Ploeser substitute:

Members of the armed forces are entitled to discharge or mustering-out pay who shall have been separated from active duty under other than dishonorable conditions before the effective date of this act.

The gentleman, if he had read the bill, would understand that he is in error.

Mr. COSTELLO. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I do not yield.

The Shafer amendment contains the exact wording of exceptions provided in the committee bill. If, therefore, the members of the committee are willing to support their own product they can very well, in fact they are duty bound to, support the Shafer amendment which does perfect the Ploeser substitute.

On the subject of unemployment compensation, if these men receive unemployment compensation from their State unemployment-insurance funds it becomes automatically deducted from the Federal allowance. That is provided in the bill. Furthermore, let me say for the benefit of the gentleman from the State of Ohio that the bill very clearly means income during that particular month and this provision could hardly be misinterpreted.

It does not seem the committee is so solid on this thing as we thought they were yesterday. The gentleman from Massachusetts does not agree with the Shafer amendment, which is a very important part of the committee bill. The principal feature of the committee bill is a \$300 bonus for 61 days' service in the Army or the Navy. In that particular

portion of your bill you are woefully weak and extremely inequitable. I have sought through the adoption of the major portion of the American Legion proposal in my substitute to correct that glaring inequity as proposed in the committee's bill and I have sought also to eliminate by the provision of this extended pay, which is very clear, very simple, to eliminate the necessity for any great organization of unemployment-compensation boards extended throughout the length and breadth of this land.

This bill calls for \$60 a month with a deductible feature dependent upon what income may be earned during a current month, and there cannot be any misunderstanding.

As for the draftmanship of the bill, it was drafted by the same legislative drafting service used by the committee. I have nothing but praise to pay them for their great ability, their legal ability, their parliamentary ability in drafting bills for this Congress.

If the gentleman from California will take the time and do himself the justice of reading the bill he will find that almost the entirety of his statement came about through some great misunderstanding that could not have possibly been made had the bill been read.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman has explained some of the criticism of the bill except the criticism made in connection with the medical students.

Mr. PLOESER. The Shafer amendment puts back the exclusions of the committee bill and therefore excludes all medical students. The gentleman from Ohio instead of attacking the Shafer amendment unintentionally left the impression that the Shafer amendment was not before the House. I hope for the adoption of the Shafer amendment. I hope the Members will vote for it and then vote for the Ploeser substitute.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

[Mr. HOFFMAN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SHAFER] to the substitute offered by the gentleman from Missouri [Mr. PLOESER].

Mr. ELSTON of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ELSTON of Ohio. Mr. Chairman, my understanding is that the Shafer amendment has already been voted on and the vote announced.

The CHAIRMAN. A division has been demanded.

Mr. ELSTON of Ohio. Mr. Chairman, I believe the Shafer amendment was voted on some time ago.

The CHAIRMAN. No. The question is on the Shafer amendment to the substitute offered by the gentleman from Missouri [Mr. PLOESER].

The question was taken; and on a division (demanded by Mr. PLOESER) there were—ayes 11, noes 86.

So the amendment to the substitute was rejected.

The CHAIRMAN. The question now recurs on the substitute amendment offered by the gentleman from Missouri [Mr. PLOESER].

The question was taken; and on a division (demanded by Mr. PLOESER) there were—ayes 19, noes 113.

So the substitute was rejected.

Mr. MAY. Mr. Chairman, I ask unanimous consent that debate on all remaining amendments to section 1 and all amendments thereto conclude in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

Mr. CLASON. Mr. Chairman, I object.

Mr. MAY. Mr. Chairman, I move that all debate on the pending section 1 and all amendments thereto close in 20 minutes.

The motion was agreed to.

Mr. CLASON. Mr. Chairman, I offer an amendment, which I have at the Clerk's desk.

The Clerk read as follows:

On page 6, line 7, strike out all of line 7, and all of the subsequent lines down to and including line 14.

Mr. CLASON. Mr. Chairman, this amendment is the one about which I spoke yesterday and also I spoke on the same subject today. This involves about 400,000 men who have returned with honorable discharges to their homes, having been directed by the War Department to ask for their discharges. They were the men and are the men over 38 years of age who were brought into the service under the Selective Service Act. That act did not have the age limit that the Army wanted. The Army wanted 18 to 31. Our committee made it up to 45 and the Congress passed the law providing the age up to 45.

Late in 1942 General Marshall visited hospitals throughout the South, came back to our committee, and told us that most of the beds in these hospitals were occupied by men over 38 years of age and in his opinion we ought not to have men over 38 in the service.

Shortly thereafter, or early in 1943, a policy of the War Department was announced under which men over 38 years of age were told, in fact they were practically directed, to ask for their discharges, being advised that if they did so their requests would be granted. Many of these men had no jobs to return to. Many of them, because the Selective Service Act became effective in 1939, had been in the Army for 2 or 3 years. Those men are veterans of the present World War; they were brought in under the Selective Service and they are entitled to this mustering-out pay.

Mr. BRADLEY of Pennsylvania. Will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. Is it not true this provision which the gentleman seeks to strike out also prevents pay-

ment to those men in the National Guard who served 18 months under orders?

Mr. CLASON. It would, if they were over 38 and requested their discharge in that manner.

It is my understanding from the figures which have been furnished me that there are approximately 1,000 of these veterans returned to every congressional district in the United States. Personally I do not wish by my vote to place a stigma upon these 1,000 men, many of whom I have known, many of whom have spoken to me about it and others have written to me. Some of them are farmers. They sold their stock, they sold their machinery, because they went into the service. They made real sacrifices and need this mustering-out pay more than numbers of those who will receive it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. The time has been limited by action of the House to 20 minutes. There are several of us who have amendments. Is the time to be divided among those who have amendments to offer or is it to be allotted in some other way?

The CHAIRMAN. The gentlemen who desire some time will indicate that fact and the Chair will divide the time among those Members.

Mr. HINSHAW. Mr. Chairman, I have an amendment at the Clerk's desk and I would like to be recognized in due course.

Mr. MAY. Mr. Chairman, I want to rise in opposition to the amendment that has been offered when an arrangement has been made as to time.

The CHAIRMAN. The gentleman from Kentucky [Mr. MAY] is recognized for 3 minutes.

Mr. MAY. Mr. Chairman, I had hoped very much that my colleague from Massachusetts who has offered the pending amendment would yield to me when I asked him to, not very long ago on the question of General Marshall's statement with regard to these men that the gentleman says are over and above 38 years of age. First, may I say that in 3 minutes I want to get into the minds of the Members that there is not one word in this bill which says anything about the age of anybody.

General Marshall did come before the committee in support of the bill to draft 18-year-old youths, and his argument was in effect that, because we had lifted the age for selective service up to 45 that in the group above 38 years of age that has been provided as the maximum by Executive order were not the class of people that they needed as soldiers.

General Marshall did call attention to a visit he paid to the General Hospital at Fort Bragg, N. C., which is one of the largest camps in the United States. The thing the gentleman from Massachusetts did not tell you that General Marshall said about that was this. In addition to saying what the gentleman from Massachusetts said he said, he pointed out the fact that almost all of the men who were

in that hospital down there were above 38 and had been in less than 30 days, nearly all of them 10 or 15 days, and some of them only about 3 days.

Mr. ELSTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Ohio.

Mr. ELSTON of Ohio. If any one of those men was discharged for a physical disability, he would be entitled to compensation under this bill.

Mr. MAY. That is right. In addition, they could not then be discharged unless they had a job. That was the ground on which they got out. That is another reason why we excluded them.

Mr. ELSTON of Ohio. This amendment does not affect men over 38, exclusively, it affects any man who may have voluntarily asked to be dismissed from the service to accept a job in industry.

Mr. MAY. That is exactly correct.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I received an inquiry today whether the bill under consideration would exclude one who had been discharged from the service after 18 months, 12 of which were spent in Alaska, in the Aleutians, because of his having passed the age of 38.

Mr. MAY. There is no such provision in the bill. That man will not only get disability compensation, if he is entitled to it, but will be paid mustering-out pay.

Mr. KNUTSON. Are the boys excluded who have been discharged to go back on the farm after having had active combat service,

Mr. MAY. They are excluded unless they have subsequently served in the armed forces.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Fish].

Mr. FISH. Mr. Chairman, speaking under the rule I stated that I would offer the amendment submitted by the gentleman from Massachusetts [Mr. CLASON]. I see no reason whatever to discriminate against these veterans 38 years of age who got out of the service of their own accord but actually at the instigation of the Army itself, which issued directives encouraging those in our armed forces who were 38 or over to apply for discharge as they were a burden upon the Army and it was in the interest of the service for them to get an honorable discharge.

If this precedent is established, these 400,000 veterans will not even get adjusted-service compensation. They will use this precedent against them.

I ask every Member of this House, Republicans and Democrats alike, to read subsection (3) on page 6 of this bill. If they can understand a word of subsection (3), they ought to be on the Supreme Court of the United States, because even Felix Frankfurter could not understand or interpret what this subsection provides for. This subsection ought to be stricken out anyhow, regardless of the arguments about the status of veterans 38 years of age who have received an honorable discharge. Just

read subsection (3) on page 6 and see if any Member of the House can understand what it means.

I submit that it would be a gross injustice and a rank discrimination against those veterans who are entitled to more compensation than any other group, those who were compelled to give up their businesses, practically all of whom were established in some kind of permanent or semipermanent job, and who left their families and had more at stake than younger men. If anybody should be compensated by this bill, it should be those veterans of 38 years of age or over. I hope that they received a job when they got out. Most veterans who will receive honorable discharges expect to get jobs. There is no logical or sound reason for any discrimination whatever against those over 38 years of age.

Mr. ELSTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Ohio.

Mr. ELSTON of Ohio. Does the gentleman know a single man who ever left the Army or the Navy and accepted a job in private industry who got a salary smaller than he received in the service?

Mr. FISH. I am saying this should be the same rule for every veteran. All veterans who get out of the service expect to get a job. The Congress should not discriminate and say they shall not get this mustering-out pay because they got a job when it does not apply to other veterans. We do not even know whether or not they got a job. I submit nobody can understand what is in subsection (3) and it should be stricken out as being vague, meaningless, and making for utter confusion. All I am trying to do is to secure a square deal and fair treatment for those veterans of 38 years of age or over who are entitled, as honorably discharged veterans, to the same treatment as all those veterans.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CLASON].

The question was taken; and on a division (demanded by Mr. CLASON) there were—ayes 44, nays 92.

Mr. CLASON. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: On page 5, line 18, strike out "honorable conditions" and insert "conditions other than dishonorable."

Mr. HINSHAW. Mr. Chairman, I wonder if the chairman of the Committee on Military Affairs and the members of that committee would be willing to accept this amendment. I say this because I am sure they have no intention of doing harm to or failing to take care of a lot of young men who are unfortunately receiving peculiar discharges through no fault of their own.

Mr. MAY. I do not believe the committee has any objection to the amendment, Mr. Chairman.

Mr. HINSHAW. I thank the gentleman. I am glad to know that the com-

mittee has no objection to the amendment. At the same time, I recognize that the amendment may require perfection in conference on the bill, as there are certain classes of persons who should not be included, such as those who are discharged for the good of the service to avoid court martial, those who are discharged pursuant to conviction under civil law, and out-and-out fraudulent enlistments.

However, Mr. Chairman, there are many cases receiving ordinary discharges who are as deserving of mustering-out pay as those who receive honorable discharges. I would like to quote from a letter to his mother from a Navy man who was injured in an accident that happened at Pearl Harbor, as follows:

DEAR MOM: This is important.

Write Mr. HINSHAW and tell him to dig into the reason why they changed all the fellow's discharge papers who have not been wounded in action to an ordinary discharge from an honorable discharge. Everyone here is mad and we think it is very unfair to us. This law came from the Bureau of Medicine and Surgery in Washington. This will mean a lot to me and to the other fellows here. Send it special delivery air mail and soon.

Love,

Bob.

P. S.—I'll be home in 2 weeks for good.

While I was at home recently certain service officers of the American Legion and others brought differing cases to my attention. It seems to me that a soldier, sailor, or marine who is offered a blue discharge should have an opportunity to be heard on record before being discharged, and that none of them should be asked to accept a blue discharge as a condition to release from the service, unless it be among the three categories I first mentioned. Every Member of this body has been called upon to obtain corrections of the service records of men who have been discharged from the Army—some of them as long ago as the Spanish War. Most of these men have borne their shame in secret and have rankled in their hearts against the unjustice which they felt was meted out to them. When these cases are now brought to the War or Navy Department's attention, it is invariably the rule, in my experience, that the record cannot be changed, and seldom is it changed, even by an act of Congress, as the departments invariably give an unfavorable report on the bills introduced for the purpose. Furthermore, when such bills have passed, they are frequently vetoed by the President.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Chairman, I hope the committee bill will be passed. It should be understood at the outset that this is not a bill for rehabilitation, adjusted compensation, or for any other purpose than that of supplying a small

sum of cash to servicemen and service-women upon being mustered out, to bridge over the gap between the service in the Army and civilian pursuits. It is a stopgap, pure and simple. The fund provided should be ample and sufficient for the purpose intended, but should not infringe upon the larger subject of adjusted compensation, unemployment insurance, and rehabilitation, which will receive the attention of the Congress later.

In the last war we provided \$60 for each serviceman on being mustered out, regardless of length of service. The bill as it comes to us today from the committee, unanimously reported, provides \$100 for all those who have served less than 60 days at home or abroad, in the war or out of the war, and \$300 in three monthly installments for those who have served longer than 60 days. The \$300 allowance is divided into three equal payments, one to be paid at mustering out, and a like payment on each of the 2 succeeding months.

Much confusion has arisen not only in Congress but with the people at home, over the real purpose of this legislation. I am sure, Mr. Speaker, when it is realized that this legislation is limited to mustering-out pay and does not in any sense seek to cover adjusted compensation or other benefits to which our servicemen and women are entitled, that the uncertainty will be dispelled and the legislation will have the full approval not only of the Congress but of veterans' organizations, the men and women in the service, and the citizens back home. I am sure that all of us here have the desire to give every consideration to the needs and welfare of the servicemen, who have been and are doing an heroic job in defending our country during these tragic hours.

We do not want to see duplicated again the spectacle that took place following the last World War, when thousands of our heroic fighting men were compelled to stand on street corners seeking employment, or be subjected to the humiliation of accepting menial jobs merely to keep body and soul together during the time they were seeking to rehabilitate themselves and find permanent employment in our economic structure. Not only is the welfare of these men and women involved but the morale and cooperation of the civilian population. I am glad that the Congress has provided adequate and necessary legislation for taking care of the injured, providing hospitalization, care and treatment, and also putting in motion the machinery for rehabilitation and the rebuilding of the battered lives of our disabled soldiers. This legislation will be in line with that program.

I include as a part of my remarks an editorial appearing in the Washington Post of this date, entitled "Home Front Morale." While it does not deal with mustering-out pay, it does call to our attention the broader aspects of fair treatment to the fighting men of our military forces, not alone for their own protection and well-being, but for keeping a healthy morale at home. The editorial is as follows:

HOME-FRONT MORALE

According to a news conference given by six Army nurses, one of the chief concerns of mutilated servicemen returning from the front lines to this country is the reception they will receive from their friends and families. After more than a year aboard the hospital ship *Acadia*, these nurses have observed that the spirit of the men is good until they are brought in contact with unimaginative and even thoughtless behavior at the hands of their relatives. "The important war problem," the nurses agreed, "is building not the soldier's morale, but rather that of their relatives at home." In fact, in some cases a serviceman's fear of the manner in which he will be treated even outweighs his desire to return home. It would seem, therefore, that this gulf between the home front and the battle front calls for immediate attention.

One way of meeting the situation might well be, as Mrs. Roosevelt suggested at her last press conference, for the Navy and War Departments, together with the Red Cross, to set about instructing the public the best ways to help veterans make their difficult adjustment to civilian life. This is part of the larger problem of supporting the fighting front. Servicemen, though they grumble about our civilian behavior, know and see that our material support of the front line is prodigious. At bottom that doesn't worry them half so much as what we are not doing to set up a society fit for veterans to live in. In respect of the incapacitated, there is a fine distinction to be made between pampering a man to the point at which he becomes a helpless invalid and asking so much of him that he grows discouraged and loses his will to get well. It is common knowledge that we all recover our strength and appetite for life more quickly, whether the illness be physical or psychoneurotic, if we live in a healthy climate of affection and realistic optimism. Surely we cannot afford to destroy on the home front the miracles of medicine which our Army and Navy doctors have performed under enemy fire.

Mr. ROBSION of Kentucky. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Chairman, in December 1943, the Senate passed Senate bill 1543 to provide for mustering-out pay to members of the armed forces. This bill came to the House and was referred to the Committee on Military Affairs of the House. After holding hearings on this bill, the Military Affairs Committee of the House amended Senate bill 1543 by striking out all after the enacting clause in the Senate bill and submitted a substitute bill. This House Military Affairs substitute bill is now before us for consideration. This bill provides as follows:

Sec. 1. (a) That except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war and who is discharged or relieved from active duty under other than dishonorable conditions on and after December 7, 1941, shall be eligible to receive mustering-out pay.

Sec. 2. (a) Mustering-out pay for persons eligible under section 1 shall be as follows:

(1) \$300 for persons who have performed active service for 60 days or more.

(2) \$100 for persons who have performed active service for less than 60 days.

Those who have performed active service for less than 60 days will receive the full \$100 on discharge, and those who have performed active service for 60 days or more and are entitled to \$300 will receive \$100 at the time of discharge, another \$100 1 month thereafter, and the third \$100 2 months after discharge. This applies to all those who have had such active service since December 7, 1941, and have heretofore been discharged and those who may hereafter be discharged. This mustering-out pay will not be allowed to those who have secured their discharge in order to take other employment, or to any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2 of the act of June 16, 1936, or to any member of the armed forces whose total period of service has been as a student detailed for training under the Army specialized training program, the Army Air Forces college training program, or any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard, or for such period as such person may be a student in the United States Military, Naval, or Coast Guard Academies.

All those in our armed services and auxiliaries, men and women, up to and including the rank of captain are entitled, unless dishonorably discharged, to this mustering-out pay, with the exceptions we have noted. The WAC's, WAVES, SPARS, and other auxiliaries composed of women will receive this mustering-out pay, provided they served after they became component parts of the Army, Navy, Marine Corps, or Coast Guard. Those women who had active service prior to that date and were discharged on account of disabilities contracted in the service in line of duty, will likewise be entitled to this mustering-out pay.

At the present time, approximately 11,000,000 persons have had active service in our armed forces. Approximately 1,000,000 have already been discharged. Of course, this 1,000,000 or more that have been discharged will be entitled to this mustering-out pay unless they have received a dishonorable discharge or come within the exceptions already mentioned, and if any of them have died, their wives and children, or their husbands and children, as the case may be, will be entitled to this mustering-out pay. The mustering-out pay for all of these men and women that have been discharged and will be discharged of the approximately 11,000,000 who have been inducted into our armed services will amount to approximately three billion and six hundred million. Of course, the war is not over, and perhaps three or four million more may be inducted into our armed services before the war is over. This will add an additional billion and a half. The total cost of mustering-out pay may reach five billions.

I had no communication from my own State or district from anyone in our armed services in regard to these matters. Some of the veterans' organizations in other States have wired me and other Members of Congress urging mustering-out pay. A number of us favored

and voted for amendments to increase this amount, but practically all of the members of the Military Affairs Committee of the House that reported the bill and a majority of the Members of the House favor these sums and they will likely be adopted.

This bill places into the hands of the returning service men and women this sum of money to help them get started again. In World War No. 1 the mustering-out pay was fixed at \$60 for one and all, without regard to the length of service. For those who have served 60 days or more this bill provides 5 times that amount, and for those who have served less than 60 days almost double that amount.

This measure has nothing whatever to do with adjusted compensation, death benefits, disability compensation, insurance, hospitalization, or vocational education. Congress has already provided for the service men and women of World War No. 2 to receive disability compensation, insurance, vocational training, hospitalization, dependency benefits, and many other benefits. It was my good pleasure to vote and help to pass all of these measures. The matter of bonus or adjusted compensation will be considered at a later date and then the important question of where and how long a man or woman served will have an important bearing as to the amount that such service man or woman will receive. I might add that the cost of living was higher when the men were mustered out in World War No. 1 than it is today, and at that time we did not have full hospital facilities, liberal compensation laws, vocational training, and so forth, as we now have for service men and women of World War No. 2. These desirable measures were passed at the close of World War No. 1. The soldiers' adjusted compensation was not passed for many years after the close of World War No. 1, and I am sure that this matter will be taken up and considered and acted on favorably I trust in a much shorter time, perhaps before this war comes to an end.

There are those who complain of the liberal treatment to our service men and women and their dependents, but let us bear in mind that however liberal we may be we cannot pay the debt that we owe these patriotic men and women. The President has already called upon the Congress and the Congress has voted more than sixty-five billion for lend-lease to other countries. Very little of this enormous sum will ever be paid back. The administration, in administering these funds, has been very liberal with millions of people in Central and South America, Europe, Asia, and Africa, and the islands of the seas. Tomorrow the administration is bringing before us a bill calling for an initial sum of nearly one and one-half billion for the people of Europe, Asia, and Africa. This also will be a gift, and if this program is entered upon I am afraid additional billions will be demanded. Knowing these facts, so far as within my power, I do not propose to be niggardly with our own heroic and patriotic men and women who have been and still are doing such a wonderful job on land, sea, and in the air, and

who will insure ultimate victory for our country.

There are those in this country who were not adverse to war because of the profits it would bring to them. It may help to keep the peace for these as well as all of us to know that war is a very expensive undertaking and, furthermore, that we owe a debt of gratitude to our service men and women that we cannot repay.

The Clerk read as follows:

SEC. 2. (a) Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

(1) \$300 for persons who have performed active service for 60 days or more;

(2) \$100 for persons who have performed active service for less than 60 days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service. The remaining amount of mustering-out payment shall be made in two equal installments—1 month and 2 months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive the stipulated amount at the time of such discharge or relief from active service.

Mr. LEMKE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LEMKE: Strike out all of section 2 and insert the following:

"SEC. 2. The Secretary of War and the Secretary of the Navy are hereby authorized and directed to pay one hundred dollars (\$100) as mustering-out pay and to continue the regular pay to any veteran, as herein defined, that has been or may hereafter be honorably discharged from the armed forces on the basis of the pay of a private in the Army, or an apprentice seaman in the Navy as follows: A veteran who has served 1 month but less than 3 months, for an additional 3 months; one who has served for less than 6 months but more than 3 months, for an additional 6 months; one who has served for less than 9 months but more than 6 months, for an additional 9 months; one who has served 9 months or more, for an additional 12 months."

Mr. LEMKE. Mr. Chairman, this amendment is offered on behalf of myself and 51 Members of this House.

They are: WILLIAM LEMKE, North Dakota; THOMAS J. LANE, Massachusetts; JOHN M. COFFEE, Washington; HAROLD C. HAGEN, Minnesota; FRANK B. KEEFE, Wisconsin; COMPTON I. WHITE, Idaho; BERTRAND W. GEARHART, California; JOHN H. TOLAN, California; FRED E. BUSBEY, Illinois; GERALD W. LANDIS, Indiana; CHARLES M. LAFOLLETTE, Indiana; J. GLENN BEALL, Maryland; PHILIP J. PHILBIN, Massachusetts; JOSEPH P. O'HARA, Minnesota; WILLIAM C. COLE, Missouri; KARL STEFAN, Nebraska; USHER L. BURDICK, North Dakota; VICTOR WICKERSHAM, Oklahoma; KARL E. MUNDT, South Dakota; CHESTER GROSS, Pennsylvania; MERLIN HULL, Wisconsin; CHARLES B. HOEVEN, Iowa; HARRY SAUTHOFF, Wisconsin; MARION T. BENNETT, Missouri; KARL M. LECOMPT, Iowa; STEPHEN A. DAY, Illinois; EDWARD J. HART, New Jersey; THOMAS ROLPH, California; ED. V. IZAC, California; J. HARDIN PETERSON, Florida; WILLIAM A. ROWAN, Illinois; MARTIN

GORSKI, Illinois; THOMAS GORDON, Illinois; FRED C. GILCHRIST, Iowa; GEORGE G. SADOWSKI, Michigan; WILLIAM A. PITTENGER, Minnesota; CARL CURTIS, Nebraska; A. L. MILLER, Nebraska; HOWARD J. McMURRAY, Wisconsin; FRANK BARRETT, Wyoming; RAY MADDEN, Indiana; WIRT COURTNEY, Tennessee; MAURICE J. SULLIVAN, Nevada; ANDREW C. SCHIFFLER, West Virginia; JERRY VOORHIS, California; WILLIAM H. STEVENSON, Wisconsin; CHET HOLIFIELD, California; GEORGE E. OUTLAND, California; WILL ROGERS, Jr., California; THOMAS F. FORD, California; EARL R. LEWIS, Ohio; JAMES M. CURLEY, Massachusetts.

I am sure that it will receive the serious consideration of the Members of this House who have at all given this subject any consideration. The minimum in this amendment is \$100 to those who have served for less than 30 days, \$250 for those who have served 3 months or less; \$400 for those who have served 6 months or less, \$550 for those who have served 9 months or less, and \$700 for those who have served 9 months or more.

Let us see what the reason for this amendment is. It is not an adjusted compensation, but it is giving to the soldiers who have saved not only this Nation, and who are now saving it—yes, for the soldiers who are the best uniformed, the best dressed, the best paid among the United Nations, and who also are the soldiers who are doing the most and the best fighting of all the United Nations—the soldiers but for whom the United Nations would have been defeated long ago—it is giving to those men who have been unfortunate enough to be discharged or who will be discharged in the future, a sufficient amount to readjust themselves into the civil life from which they were taken. Oh, but we are told, nobody asks for this amendment. My colleagues who oppose this amendment told us yesterday that they had received no letters about it. Here are the letters and the telegrams which I have received in favor of this amendment, and among the telegrams are some that are from the American Legion and other organizations, and from those who returned from foreign battlefields and were discharged.

Mr. D'ALESANDRO. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. Yes.

Mr. D'ALESANDRO. Mr. Speaker, I agree with the gentleman from North Dakota and shall vote for his amendment. I hold in my hand a telegram which I received from commanders of veterans' organizations from Maryland which reads as follows:

BALTIMORE, Md., January 18, 1944.
Representative THOMAS D'ALESANDRO, Jr.,
Washington, D. C.:

Representing veterans of World Wars No. 1 and No. 2 in Maryland we demand you support bill giving 1 year's pay to all honorably discharged veterans of World War No. 2 as they are returned to civilian life.

DR. HERBERT C. BLAKE,
Commander, Maryland American Legion.
GEORGE H. TITTER,
Commander, Maryland Veterans of
Foreign Wars of the United States.
ADOLPH C. WINKLER, Sr.,
Commander, Disabled American
Veterans of Maryland.

Mr. LEMKE. I thank the gentleman. Further, it is claimed that these telegrams and letters do not mean anything. Here is one from a man whose name I shall not give. He is a dentist. In part he says:

After 7 months in the Army I was honorably discharged. About 15 weeks of that time was spent treating an eye of which I almost lost the sight. My dear Mr. LEMKE, I, now after 7 months, sit day in and day out waiting for my business to return. It is just an uphill fight. I am 44 years old. Do not use my name, please, but let this give you an idea of what a hard, hard job it is to take up where one left off and please keep up the good fight for the many who may be worse off than I am.

I have hundreds of these letters, and if you who have not received any letters wish to see these, I should be very glad to let you see them. What does this amendment do? It provides \$100 for those who have served less than 30 days, and yet the correspondence that I have received shows that many of these gave up good positions. It was stated yesterday that they could get their jobs back. That is not a correct statement. There is no truth in it, because the large corporations now demand a physical examination of the discharged soldier, and even if the examination is satisfactory it is still a question if they put them back to work at all. If they do, they may put them at some other job and at less wages than they received when they were inducted. I said at the time we wrote that into the law that it was a joke, and it is. The soldiers are not benefiting by it. They are not all getting their jobs back, and the record shows that.

Then this amendment provides \$250 for those who have been in the service 3 months. That is not too much. The total amount provided by this amendment would be approximately the same as the Senate bill, only it distributes the money over a longer period of time. The soldiers that I have consulted asked that the money be given them in monthly payments, and not in a lump sum.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. ROLPH. Mr. Chairman, the Lemke amendment now before the committee should be adopted. While mustering-out pay has been discussed from every conceivable angle, the fact remains that anything we may do for the veterans falls far short of that to which they are justly entitled.

I am dismayed to find a feeling of hesitancy in authorizing the equivalent of 1 year's pay.

The gentleman from North Dakota [Mr. LEMKE] wants the payments to reach a maximum of \$700. This amount covers \$100 for mustering-out plus \$600, the latter figure being pay of a soldier for 1 year.

To me, it does not seem reasonable that those who are urging the lesser amounts have given the subject the study it deserves. The subject is of deepest import to the Nation.

While we have only this means of showing a small part of our appreciation, no matter what we pay it will be impossible to show the deep debt of gratitude in our hearts.

I hope the Lemke amendment is adopted.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Lemke amendment. In a recent meeting 57 or 58 of the Members of the House agreed on this amendment. I think it is a wise amendment. I urge you to support it.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment to the amendment, which I send to the desk.

The CHAIRMAN. This amendment cannot be considered at this point as it is not an amendment to the pending amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, a parliamentary inquiry. May I offer this as an amendment to the amendment?

The CHAIRMAN. The amendment is not so worded.

Mr. DEWEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have read the amendment offered by my colleague the gentleman from North Dakota [Mr. LEMKE], and I am very much impressed with the spreading of the pay. We all know we are going to be faced with great difficulties in holding price levels after the war ends; and if our soldiers return and receive a lump sum in 3 months, I think the pressure to spend that fund may do a great deal toward starting a price spiral. I like the idea of Mr. LEMKE's amendment, its spreading the payment in a lesser amount over a longer period. Who can blame a boy, after having gone through what they have gone through, from wanting to spend? We would all want to do that. They might spend that lump sum in 1 month. Whereas, if it is spread monthly over a longer period, I think it would have a beneficial effect. I would like, however, to suggest that if this amendment is considered, it might be advisable for the recipient at the end of 6 months, by affirmation to make a statement that he is not yet employed. If he is employed at the end of 6 months, further payment should stop. But I think it is advisable to consider the spreading of the payment.

Mr. MAY. Will the gentleman yield?

Mr. DEWEY. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman is referring to the spreading of the payments provided under the Lemke amendment in smaller amounts. According to the Lemke proposal, the smallest amount to be paid to anyone—and that goes to those who served 1 month and not more than 3 months—is \$250. It runs to \$400, to \$550, and \$700.

Mr. DEWEY. I would like to say I did not say "amount"; I said "amounts." He gives \$100, exactly the same as the committee amendment, on mustering out, and he gets \$50 each month, depending on how long he is serving. The total sum, I admit, is greater; but being spread over a longer period, I think it may do a greater good to the soldier; providing, however—and I would like to suggest—that by affirmation the recipient should make a statement at the end of 6 months that he is unemployed. I think it may

save a great pressure on the price structure.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. DEWEY. I yield.

Mr. MURDOCK. I agree heartily with the gentleman in favoring this amendment, and that for about the same reasons he has announced, that is, the spreading of the payment over a longer period. That is a better plan than lump-sum payment. I also agree with the Lemke amendment because it is more liberal in its provisions than the committee bill provides. It must be understood that this mustering-out pay is only one of several measures we must pass for veterans.

Mr. DEWEY. Mr. Chairman, I yield back the remainder of my time.

Mr. SNYDER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I want to commend the distinguished gentleman from Kentucky and his committee for bringing before the House this commendable piece of legislation. However, I think that within the next 6 months or year, or by the time the war is over, this legislation will have to be adjusted if it is passed as it is. I introduced a bill on November 12 that had some different provisions in it. All I wish to do is ask unanimous consent that I may insert that bill in the RECORD at this point.

The CHAIRMAN. Is there objection?

There was no objection.

The bill is as follows:

H. R. 3656

A bill to grant men and women of the armed forces of the present war base pay and family allowances for 1 year after their separation from the service or release from active duty

Be it enacted, etc., That any person who (1) serves in the armed forces of the United States beginning December 7, 1941, and ending when the cessation of hostilities in the present war is proclaimed by the President, and (2) if separated from such service under honorable conditions or is released from active duty shall be paid monthly, 1 year beginning on the date of such separation or release an amount equal to his monthly base pay (less amount by which such pay may have been reduced pursuant to the Servicemen's Dependents Allowance Act of 1942, as amended) plus amount of the monthly family allowance payable under such act, as amended, to the dependent or dependents of such person at the time of such separation or release.

SEC. 2. The Secretary of the Navy and the Secretary of War, respectively, shall set up such regulations as may be necessary to carry out the provisions of this act.

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MAY. Mr. Chairman, inasmuch as we have debated this particular question for months, I think we ought to agree that we will close all debate on this section and all amendments thereto in about 30 minutes.

Mr. WHITE. Mr. Chairman, reserving the right to object, I would like to remind the distinguished chairman of the Committee on Military Affairs that most of the Members who have spoken on the bill have yielded back time, and we are

making fast progress. I suggest that debate continue for some little time.

Mr. MAY. I would like to say to the gentleman that I am not trying to cut him off. I am just trying to conserve time. We would like to get through with this bill.

Mr. O'CONNOR. Mr. Chairman, reserving the right to object, I want to say to the distinguished chairman of the Committee on Military Affairs—

Mr. KEEFE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAY. I move that all debate on section 2 and all amendments thereto close in 30 minutes.

The CHAIRMAN. The question is on the motion.

Mr. WHITE. Mr. Chairman, I desire to be heard on the motion.

The CHAIRMAN. The motion is not debatable.

The question was taken; and on a division (demanded by Mr. O'CONNOR) there were ayes 123 and noes 35.

So the motion was agreed to.

Mr. GREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN. Would it be in order for me, if recognized now, to have my amendment to section 2 of the bill read?

The CHAIRMAN. It can be read for information.

Mr. GREEN. Yes.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, a parliamentary inquiry. I would like to ask the Chair what would be the disposition to an amendment that I have that will come as a new section? Will it be included in the 30 minutes or can it be included in the next section?

The CHAIRMAN. It will be included.

Mr. EDWIN ARTHUR HALL. It will be included in the 30 minutes.

Mr. CHAIRMAN. It will be included in the 30 minutes.

Mr. O'CONNOR. Mr. Chairman, I have two amendments which I have sent to the Clerk's desk. I would like to ask permission for time to discuss those two amendments in connection with the time allotted by the Chair to those standing confined within the 30 minutes.

The CHAIRMAN. All time is confined within the 30 minutes.

Mr. WHITE. How is the time to be allotted?

The CHAIRMAN. The Chair will allot the time.

The gentleman from Florida [Mr. GREEN] is recognized.

Mr. GREEN. Mr. Chairman, I will ask the Clerk to read for information and for consideration at the end of the 30 minutes debate, an amendment which I am now offering to section 2 of the bill.

The CHAIRMAN. Without objection, the Clerk may read the amendment for information.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 7, line 14, after the period, insert the following:

SEC. 2. That any enlisted man who serves in the land or naval forces of the United States during the present war and is honorably discharged from such service or released from active duty, shall be paid monthly, for a period of 1 year commencing on the date of such discharge or release or on the date of enactment of this act, whichever date is the later, an amount equal to the monthly base pay which he had been receiving immediately prior to such discharge or release.

"Sec. 3. No enlisted man who is serving in the land or naval forces of the United States on the date of the cessation of all hostilities in the present war shall be honorably discharged or released from active duty, without his consent, prior to the termination of 1 year after such date."

Mr. GREEN. Mr. Chairman, this amendment would permit a man or a woman, if they desired to do so, to remain in the service after the armistice for a period of not to exceed 12 months. That would be their option. Then when the service man or woman is discharged, he or she would receive base pay, paid on the first day of each month from the time of discharge, for a 12-month period, to help him bridge over the ghost period following discharge and his readjustment back to employment or to business.

This legislation was suggested to me by the Harvey Seeds Post of the American Legion, Miami, Fla., and I commend it to the House for consideration.

I introduced this as a bill in April, and I believe it is appropriate to consider it in connection with the mustering-out pay bill now before us. I hope the House may see fit to adopt the substance of this amendment.

The CHAIRMAN. The time of the gentleman from Florida has expired.

The gentleman from Idaho [Mr. WHITE] is recognized.

Mr. WHITE. Mr. Chairman, I rise in support of the Lemke amendment.

It has been stated on the floor, that some 52 Members have given this bill most careful scrutiny and consideration. In considering the particular provision of section 2, it was decided that a more equitable distribution and a more equitable rate of pay should be adopted.

This amendment is the result of the resolution adopted by 52 Members of this House who have considered this legislation, and incorporated in this amendment a more equitable rate of pay for the men discharged from the Army. I know we all appreciate what happens to a man who is drafted in the Army. He has to give up his business or his farm. His whole arrangement is disrupted and his private income is lost. It is no more than fair and equitable that some fair plan be worked out to put that man back into his former status until he can rehabilitate his business and support himself and his family.

I hope the Membership will support the Lemke amendment.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

If there are no others who desire to speak on the Lemke amendment, we might better dispose of that amendment at this time.

Mr. IZAC. Mr. Chairman, I desire to speak on the Lemke amendment.

The CHAIRMAN. The gentleman from California [Mr. Izac] is recognized.

Mr. IZAC. Mr. Chairman, I rise in support of the Lemke amendment. One great defect of the committee's bill we should all recognize right now. That is, they give \$100 if you are in the service for 59 days, but for that other day they give you another \$200. It is utterly unconscionable. If they are going to give mustering-out pay, why not make it \$100 for everyone? That is given in order to tide these people over who cannot get a job immediately, or who cannot readjust themselves. Then why not run it along at \$50 a month, which is the minimum pay in the Army and the Navy, and keep that going up to a year, depending on the length of service of the individual?

The gentleman from North Dakota [Mr. LEMKE] has figured it out, I think, in the most appropriate manner, because we are not going to make anybody rich with this \$50 payment, even if he gets a job during the first 12 months.

Another thing, the committee bill says 59 days is the limit for the \$100 payment. There is no logic in that at all, because the boot training for the Navy man, and the basic training period for a man in the Army is longer than that. So, anybody who has borne the brunt of that basic training is surely entitled to more than the man who serves only a few days. Many a man has been cut down and discharged as a result of the severity of this training. If the committee wants to be logical it should differentiate between the man who has really served and the one who has not—not on a basis of 59 days equals \$100, 60 days equals \$300. Besides this, I believe all those who go through and serve will have 4 months or more to their credit, and therefore they are entitled to that extra \$50 a month that the Lemke amendment provides, because having been subjected to the orientation of military service it will be harder for them to readjust back to civil life.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. IZAC was granted permission to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I have been greatly impressed by the able and unanimous presentation of the membership of the Military Affairs Committee regarding the mustering-out bill, S. 1543.

We have been assured repeatedly by most of the Members that Senate bill 1543 provides strictly for a discharge gratuity. In answer to my direct question to the respected gentleman from Texas [Mr. THOMASON], who is also a member of the committee, he explicitly stated that this bill in no way attempted to settle the adjusted-compensation question. We have been repeatedly as-

sured that the question of adjusted compensation is not germane to the present bill. Because of this ruling it will be impossible to get consideration at this time on this important subject. On November 24 I introduced H. R. 3735, which provides for discharge compensation of \$1,200, payable at the rate of \$100 per month. I regret that parliamentary procedure does not allow consideration of my bill at this time. I fear that the passage of a mustering-out bill containing a small gratuity will preclude consideration for many years of proper adjusted compensation for our discharged veterans. In view of the 17 long years after the World War No. 1 before the passage of the so-called bonus bill, I fear a repetition of that disgraceful history.

Under the existing circumstances I shall vote for the Lemke amendment which provides a \$700 maximum, whereas the Senate bill 1543 provides a maximum of only \$300.

If real consideration were given to the adjusted-compensation problem of World War No. 2 veterans at this time, I believe that mustering-out pay could be combined with a complete settlement of the bonus question. As this course has not been pursued under the pending bill, I predict that this question will rise again and again until it is settled equitably. I shall vote for the liberal provisions in the Lemke amendment and if it is defeated I will support other liberalizing amendments offered. If these liberal amendments are also defeated I shall vote for the passage of Senate bill 1543. I do so, however, with mental reservations as to the timeliness of this mustering-out pay bill and to the distinction drawn between those entitled to \$100 for less than 60 days and those entitled to \$300 for over 60 days. It is my opinion that every man and woman who has broken the ties of his civilian life, assumed military obligations, and then through discharge has been faced with readjustment problems is entitled to the maximum provided in this bill. I do not consider that this bill in any way precludes the consideration of an adequate adjusted compensation act which should be designed to cover the terrific problems of readjustment and rehabilitation which will face each and every member of our armed forces immediately upon their discharge.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am supporting the Lemke amendment, but in case the Lemke amendment is defeated I am going to ask the Membership to support two amendments that I am offering. One is to raise the mustering-out pay to \$600, which means about 1 year's salary to a discharged soldier who has performed services for more than 60 days, and \$250 for services for less than 60 days.

If all amendments are defeated I will vote for the bill as reported by the committee. It provides something to be handed to the boys as they are mustered out although it is small. This assistance should have been granted long ago by this Congress but for some reason or another the bill was not reported to the

House until yesterday. Arguments have been made in favor of holding the amounts down for economy purposes. Poor time and circumstance to talk economy, in the light of the spending we are doing for other nations as well as our own for other purposes.

It is very interesting and gratifying to me to note the marked change in sentiment in this House toward the soldiers. I recall the first conscription bill that was introduced in this House provided for base pay of \$5 a month; later that was upped. When the conscription bill came before the House I offered an amendment at that time to raise the pay to \$50 a month. I pioneered that amount. I received support among a few Members of the House, among them my distinguished friend the gentleman from Arizona [Mr. MURDOCK] and my friend the gentleman from Mississippi [Mr. RANKIN], and the gentleman from Washington [Mr. COFFEE]. They spoke for it also, but we only got a few votes. Later on, when we again considered the base pay, we raised it to \$50. The gentleman from Mississippi [Mr. RANKIN] offered the amendment and enough supported it to adopt the amendment. I am glad to see the sentiment changing. I know from my knowledge of the membership of this House that it is not due to the fact that this is an election year. We all realize the sacrifices that these boys are making. We further must realize the fact that when these boys come out, many of them are married men, they will need some money in order to get along on, not only to rehabilitate themselves and to tide them over while trying to secure employment, but in addition, to keep their families. We are not niggardly with foreign nations. We can give them billions of dollars without batting an eye. We had better not be niggardly with the boys who are doing our fighting and dying. They did not make this war. They had no part in reaching the decisions which caused this war. Old men make wars, but young men have to fight them and do the dying.

The CHAIRMAN. The time of the gentleman from Montana has expired.

The gentleman from Illinois [Mr. BUSBEY] is recognized.

Mr. BUSBEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BUSBEY. Mr. Chairman, there are two thoughts in my mind in favoring the Lemke amendment. First, it has been said that if you go beyond the committee bill you are getting into the matter of adjusted compensation and not mustering-out pay. Well, if that is true, what of it? If we do have an adjusted compensation bill before the House at some future date, naturally any consideration given the men at this time will have to be taken into account when we consider that bill.

Secondly, I understand following the mustering-out pay bill we are to consider the U. N. R. R. A. bill—the United Nations relief and rehabilitation bill—and we are going to be asked to appro-

priate \$1,350,000,000. I have voted for every appropriation bill before this House in the Seventy-eighth Congress to further the activities of this war, and I will continue to do so. But I still say that if we can vote billions for U. N. R. R. A., billions for lend-lease, and many other things to help people in other countries, certainly the least we can do in this House of Representatives is to adopt the Lemke amendment which provides a more substantial recognition of their services, and expresses our gratitude to these boys who are fighting this war for us.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Wisconsin [Mr. HULL] is recognized for 2 minutes.

Mr. HULL. Mr. Chairman, I am also in favor of the Lemke amendment. I am heartily in support of this legislation. I regret that the time for discussion has been limited. Before the holiday recess we were informed that the measure might have been taken up at that time but for the absence of the chairman of the committee who was unfortunately called out of the city; consequently a month has elapsed since many of these soldier boys have come home and found themselves out of jobs, many of them disabled, many of them unable to pick up the ordinary threads of life, and with no relief from the Federal Government. This bill should become a law at the earliest moment possible. The Lemke amendment will add to its merit.

I fully agree with the previous speaker, that if we can spend billions in countries far remote from the war centers, if we can spend not merely millions but hundreds of millions of dollars such as are being spent in Canada on the Canal project, for instance, if we can go to such extremes, then it seems to me it is a poor time to talk economy at the expense of wounded and disabled soldiers, coming out of the service without means of subsistence.

I am for the most liberal appropriation which can be made in their behalf. I hope the Lemke amendment will pass, I hope the legislation will pass and that further legislation will follow. I also hope that the further legislation will be brought to the floor under such circumstances, that Members will not have their right of discussion curtailed by arbitrary motions. Legislation for those who are or have been fighting for the country is of interest to every district and community, and the right of free speech is as important in Congress as it is elsewhere.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The gentleman from Illinois [Mr. DAY] is recognized for 2 minutes.

(Mr. DAY asked and was given permission to revise and extend his own remarks.)

Mr. DAY. Mr. Chairman, the feature of the Lemke amendment that appeals to me is the fact that it is immediate and continuing. I have had the opportunity in the last several months to make many contacts with veterans, and especially with sad cases of men who have come back and found no opportunities waiting

for them, especially those who came back disabled. The proposition for them was that they could not wait, they had to respond to an immediate call.

This idea of \$100 as provided in the committee bill is all right as a mustering-out proposition. They stop at \$300. Where that fails, in my judgment, is this: We must take care of the immediate needs and if later on we get to the point of adjusted compensation, then full credit will be given for these payments; but whatever we do let us do something now; wait no longer. These men are in serious need. One hundred dollars now and a continuation of their pay for a few months is only in the name of humanity and for the better protection of the morale of this great country of ours. Let us not be niggardly here today; let us do justice; let us do it quickly and let us do it adequately.

Mr. CURLEY. Mr. Chairman, I ask to be recognized on the Lemke amendment.

The CHAIRMAN. The Chair does not find the name of the gentleman from Massachusetts on the list of Members seeking recognition on the Lemke amendment.

Mr. CURLEY. Mr. Chairman, I ask unanimous consent to speak for 1 minute on the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 1 minute.

(Mr. CURLEY asked and was given permission to revise and extend his own remarks.)

Mr. CURLEY. Mr. Chairman, the importance of dealing in a liberal manner with the men in the armed service of the Nation who have already been honorably discharged, or will be at the termination of the war, represents one of the most important duties and obligations confronting the Members of Congress at the present time. Many will return with mind gone, eyes gone, or with a limb or limbs gone, destined to continue to fight against pain and suffering until the kindly Angel of Death calls them to a better world.

To the professional men and to the small businessmen, in fact to all of the men in the service, is presented the task at the termination of their service, of piecing together the threads that were broken when they entered the war. To the professional men, more particularly physicians and surgeons, this presents a terrific problem, taking up the broken threads and starting to rebuild a practice to which they had devoted a lifetime and which in their absence has been taken over by others. It means in the case of most of these men, income of a very limited character for a year or longer—and what is true in the case of the professional man is equally true in the case of men with dependents, whether it be an aged mother or father, or a wife with small children in the home, and that we should deal most liberally to safeguard this most priceless possession that will come out of the war, the patriotic manhood and the character

of those who have served devotedly in the hour of the Nation's trial. We must never again resort to the charity system of relief, regardless of what name we cloak it under. We have been so liberal in the aid extended to other nations and to the peoples of other nations, that there are countless hundreds of persons in America who are fearful that we will never again enjoy either prosperity or solvency.

Personally, I do not share this view, since I believe that a return to the American way of life, or individual initiative in the event we are not taxed out of existent through Government profligacy or criminally careless expenditures of public money.

We can forego many things, but we cannot forego a duty that is a prime obligation, namely: to deal honorably, generously, and justly with the defenders of American institutions. Not charity for the returning members of the armed forces, but a square deal should be our objective to preserve the faith which they have defended in the hour of the Nation's trial.

Personally, I favor the most liberal character of allocation, for it has been my privilege to witness the actual suffering endured by men who served in the First World War, their inability to receive justice with positions held by them before entering the service preempted by less patriotic and less worthy men thus requiring them to become the objects of charity. This should not be the American way of discharging an obligation which we owe to these gallant defenders of democracy and for the best interests of America and Americans I favor the passage of the liberal and equitable Lemke bill.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to speak for 1 minute.

Mr. ANDREWS. Mr. Chairman, I make the point of order that all time on the amendment has expired.

The CHAIRMAN. The point of order is not well taken. The point of order is overruled.

Is there objection to the request of the gentleman from Mississippi?

Mr. ANDREWS. I object.

The CHAIRMAN. Objection is heard. Does any other Member who desired time on the Lemke amendment wish to claim it?

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair cannot sustain the gentleman's motion.

Mr. RANKIN. Mr. Chairman, I move to strike out the enacting clause. I do not propose to be run over, so I will just stand by my amendment. On that I have the right to be recognized for 5 minutes.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

[Mr. RANKIN addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The time of the gentleman has expired.

The question is on the motion of the gentleman from Mississippi [Mr. RANKIN.]

Mr. RANKIN. Mr. Chairman, I withdraw the motion.

The CHAIRMAN. Without objection, the motion is withdrawn.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. LEMKE].

The question was taken; and on a division (demanded by Mr. O'CONNOR and Mr. WHITE) there were—ayes 71, noes 137.

So the amendment was rejected.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

Mr. O'CONNOR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. Mr. Chairman, I have two amendments on the Clerk's desk to section 2 and I think they should be disposed of before any further amendments are considered by the House.

The CHAIRMAN. The gentleman's amendment will be read in due course. The Clerk will report the amendment offered by the gentleman from New York [Mr. EDWIN ARTHUR HALL].

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: After line 5, page 8, insert a new section as follows:

"Sec. 2. That the Secretary of War, under such regulations as he may provide, shall issue, but not more often than once every 6 months, to each noncommissioned officer and enlisted man on active military service in the armed forces of the United States, upon such person's being given a furlough to go home, a furlough certificate for travel to and from his home during such furlough period. Such certificate shall designate the point of departure, the point of destination, and the period of furlough, and when presented by such person to the agent of the carrier furnishing this transportation, shall entitle such person to receive, on the credit of the United States a ticket for transportation from such point of departure to such point of destination, and return, during such furlough period. On presentation of such certificate by the carrier furnishing this transportation, it shall be entitled to receive from the Treasury of the United States payments of fare at such rates as shall have been agreed upon by the Secretary of War and the said carrier."

Mr. MAY. Mr. Chairman, I make the point of order that the amendment is not germane to the pending bill.

Mr. EDWIN ARTHUR HALL. Will the gentleman reserve his point of order?

Mr. MAY. No. I insist on the point of order.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. EDWIN ARTHUR HALL. Yes, Mr. Chairman, I do.

Mr. Chairman, may I say to the distinguished gentleman from Kentucky that this amendment has been before the House a number of times. I have never objected to listening to him and I am surprised that he is denying me the chance to be heard. This amendment has had a great deal of support. It has had support from some of the ranking members of the Committee on Military

Affairs, including Members on both sides of the aisle.

Mr. Chairman, while the subject of furloughs and their extension and their frequency is before the House and the Congress, it is high time to bring up once more the subject of furlough transportation. This has been aired in the Congress a great many times before and I am voicing the opinion of several hundred patriotic women in my district. They have written me that they are forming furlough clubs and they are backing this idea of free furlough transportation. I do not like to be gagged here today. I know the ladies in these furlough clubs will not be gagged. They will continue to talk back home and work for the benefit of their men at the front. It is something that should be adopted just as soon as possible whether or not it is adopted today. I am sorry that the gentleman has made the point of order. I wrote him about a week ago asking his cooperation in bringing my bill out of the Military Affairs Committee. I shall expect the courtesy of a reply from him in answer to my requests as soon as possible.

Mr. MAY. Mr. Chairman, I make the point of order that the gentleman is not discussing the point of order raised to his amendment.

The CHAIRMAN. The gentleman is not arguing the point of order. He is arguing the merits of his amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, may I proceed on the point of order?

The CHAIRMAN. The gentleman has not confined his remarks to the point of order.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, if I do confine my remarks to the point of order, may I continue?

The CHAIRMAN. If the gentleman thinks his amendment is germane to the pending bill, the Chair will hear the gentleman on the point of order.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, this is an amendment for the benefit of servicemen. I am in hearty accord with the members of the Committee on Military Affairs and the action they have taken recently, but I cannot agree that further debate should be gagged on these benefits.

The remark was made yesterday on the House floor that Congress ought to be proud because it had done a lot for the soldiers, particularly by furnishing them with free burials—I cannot go back to my district and crow about free burials—Congress should furnish free furlough transportation to our boys in service now.

The CHAIRMAN. The gentleman is not discussing the point of order.

The Chair is prepared to rule. The Chair sustains the point of order.

Mr. PRICE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PRICE: On page 7, line 15, after the word "payment" insert the following "and adjusted compensation" and strike out lines 17 to 25, inclusive, and on page 8, strike out lines 1 to 5, inclusive, and insert on page 7: "(1) \$50 monthly for

each month served outside the United States; (2) \$30 monthly for each month served within the United States; (3) between December 7, 1941, and the date on which the President proclaims that hostilities in the present war have ceased. Each person eligible to receive payment under this bill shall receive the stipulated amount each month from the time of such discharge or relief from active service until he has received payment for a period equal to the number of months served in the armed forces as hereinbefore set out in this section. All members of the armed forces who have served outside the United States shall receive payment for such services beginning at the time of discharge from the service."

Mr. PRICE. Mr. Chairman, I believe every Member of the House will agree that we will sooner or later do more for our boys, so my idea is to do it now. Let us not force them to march on Washington every year or two for the next 10 or 20 years. Let us not make them keep lobbyists in Washington to get their just deserts.

There are many reasons why this amendment should be adopted. If we are sincere and in earnest about this matter we all should agree that to consider the length of service and the type of service is the only equitable way to approach this problem. Then to make the payments monthly will be far better for our boys. They will, at least, have some assurance of a means of existence while readjusting themselves to civilian life. We hear daily of the hardships experienced by those who are being mustered out. Even now we hear of the long delays being caused by an inadequate system and red tape so why wait until the war is over. Think of the effect the passing of this legislation would have upon the morale of our boys. If this amendment should be adopted there would be no delay, no hitch in the serviceman's pay. My plan will not interfere with or conflict in any way with the program to educate or rehabilitate the veterans. On the other hand, it will insure his welfare until his real status is determined.

Let us not play politics with the lives of our heroes; let us meet our obligation with at least a healthy gesture; not a crumb when we should hand them a whole loaf. I hope this amendment will be given serious consideration by every Member of the House.

I introduced a bill with this provision in March 1943 but have been unable to get a hearing; therefore, I bring it to the House in this manner.

My amendment embodies all the safeguards of the committee's bill and goes a step further and really attempts to solve the problem now.

Bear this in mind: We are not giving them anything; they have sacrificed more than anyone else, to say nothing of the risk they have taken. The best we can do is to attempt to show our gratitude, so let us make a real attempt.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was rejected.

Mr. O'CONNOR. Mr. Chairman, I offer two amendments, and ask unanimous consent that they be considered together

as they are both amendments to section 2.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. O'CONNOR:

On page 7, line 17, after "section 2 (a) (1)" strike out "\$300" and insert "\$600."

On page 7, line 19, after "section 2 (a) (2)" strike out "\$100" and insert "\$250."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana.

The amendment was rejected.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 7, line 14, after the period insert the following:

"SEC. 2. Any enlisted man who serves in the land or naval forces of the United States during the present war and is honorably discharged from such service or released from active duty, shall be paid monthly, for a period of 1 year commencing on the date of such discharge or release or on the date of enactment of this act, whichever date is the later, an amount equal to the monthly base pay which he had been receiving immediately prior to such discharge or release.

"SEC. 3. No enlisted man who is serving in the land or naval forces of the United States on the date of the cessation of all hostilities in the present war shall be honorably discharged or released from active duty, without his consent, prior to the termination of 1 year after such date."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, I wish to say only that I remember what happened in the First World War and appreciate how much a man's business is damaged and his life injured because he may be taken out of that and forced to leave that business. I live in a small town of 1,200 people. I have often said that it is like Goldsmith's Village, it is the fairest village of the plain. I know now in that town three little business places that are closed up because the boys who ran them have gone to war. When they come back they will find that competition has wiped them out, and they will have to start all over again. Six hundred dollars is absolutely too small an amount, in my judgment, to recompense them for their loss in business alone, and it will never answer for the sacrifices they have made.

But only from the standpoint of economic and monetary loss and from no other standpoint, the people of these United States have made no real sacrifice; that is, they have suffered no economic or monetary loss since this war commenced. They are as well off financially and most of them are better off financially than they were heretofore. They all get the comforts of life with three square meals per day and with good homes and good physical surroundings.

From their abundance they can afford to pay for the sacrifices and losses and pains and penalties that our boys are suffering on the fighting fronts. We should not be niggardly. When victory perches upon our banner we should give the boys full and adequate mustering-out pay so that they can look around and have sufficient money to tide them over until they can find good jobs and positions and establish themselves in business again.

That is the purpose of this bill, but it is not as liberal as it should be. I would prefer the amounts named in the amendment of the gentleman from North Dakota.

(Mr. GILCHRIST asked and was given permission to revise and extend his remarks in the RECORD.)

The CHAIRMAN. All time on this section has expired. The Clerk will read.

The Clerk read as follows:

Sec. 3. Any member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this act shall, if application therefor is made within 1 year after the date of enactment of this act, be paid such mustering-out payment by the War Department or the Navy Department, as the case may be, beginning within 1 month after application has been received and approved by such department; *Provided*, That no member of the armed forces shall receive mustering-out payment under this act more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

Mr. ANDREWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while on this subject of great interest to those in the service, I want to say something on another subject which is of greater interest not only to the men in the service but to their families. With some observations on the situation today having to do with the soldier vote.

We realize what has taken place in the House Committee on Election of President, Vice President, and Representatives in Congress. The vote was 7 to 5 to report an amended Senate bill, with one Republican absent who, I am reliably informed, would have been against the bill as reported. I have no objection to the bill as it was reported. It will to some extent facilitate and expedite voting by States, providing the States alter their laws and move their primary dates forward sufficiently to permit sending and receipt of soldier ballots. But I am one of those who believe it will not amount to much of anything. I think all those who support that measure are going to find that it will come back to plague them in a difficult way.

Over a week ago I introduced a bill for a uniform ballot of a slightly different nature than those which have been suggested. I reintroduced that bill today with some refinements, so that it now is about the same as the bill which has been reintroduced and refined by the gentle-

man from Texas [Mr. WORLEY]. I intend to support that bill when the election matter comes to the floor.

Let me give you a few figures for Erie County in New York State, where I happen to reside. The Erie County Election Commissioners last year under the 1942 act sent out approximately 30,000 ballots to men in the service, but only 122 of them came back. I tell you, the post-card business, sending out ballots and getting ballots back is a fine theory. In some States they will be able to take advantage of it where men are sufficiently close by. However, men move around in the Army. They are moved, they are transferred. The ordinary infantry or engineer battalion of 800 men represents within its ranks possibly 300 or 400 separate congressional districts. Think of what that means.

I merely wish to call the attention of the Members of the House today to my bill, which is really simpler than the Worley bill. The ballot will be one sheet of paper, which is folded, mucilaged, and sealed. It is executed with oath. It is a secret ballot. It leaves to the responsible State election officials the right to pass on the qualifications of the voter in the district from which he comes.

I merely want to say to the Members, be careful about this, because we are going to be held to account not only by the soldiers but by their families.

Mr. JENKINS. Mr. Chairman, I rise in opposition to the pro forma amendment, and ask unanimous consent that my colleague the gentleman from Ohio [Mr. JONES], who has taken a great deal of interest in this legislation, but who is now in the hospital, may have unanimous consent to extend his remarks in the RECORD at this point.

The CHAIRMAN. Is there objection? There was no objection.

Mr. JONES. Mr. Chairman, I appreciate very much the privilege of being permitted to extend my remarks in the RECORD at this point because I am very much interested in the legislation that we are now considering.

Naturally, a matter that reaches out and includes practically every family in the United States encourages many different viewpoints. While I am not entirely satisfied in every respect with the bill brought out by the Military Affairs Committee of the House of Representatives, still I must say that quite generally it meets with my most hearty approval.

I am sure that this is the best that can be done at this time, and consequently, I should be very anxious to support it. This legislation, I think, will meet the general approval of the American people. I am sure that it will pass this House with practically a unanimous vote.

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made this afternoon on this bill.

The CHAIRMAN. Is there objection? There was no objection.

[Mr. MILLER of Connecticut addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 4. No mustering-out payment under this act shall be paid to any person other than the veteran or a duly appointed guardian for a veteran, and no such payment shall be payable to the estate of any deceased veteran.

M. MAY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment: On page 8, line 21, strike out all of section 4 and insert in lieu thereof the following:

"Sec. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this act shall be made to any other person."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

SEC. 5. (a) Mustering-out payments due or to become due under this act shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this act as may be necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

SEC. 6. As used in this act, the term "member of the armed forces" means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components.

Mr. COSTELLO. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 8, line 17, after the word "components" insert "including those members of the WAAC who were discharged under honorable conditions on account of disability."

Mr. COSTELLO. Mr. Chairman, I have offered this amendment in view of the fact that when the Women's Army Auxiliary Corps was originally instituted it was as an auxiliary to the armed forces, and not as an actual component of the Army. However, when the other women's organizations were created, such as the WAVES and the SPARS, they were an actual part of the service to which they belong. As a result, it was not until some time after the auxiliary corps of the Army had been created

that they were made a definite part of the Army, and they became the Women's Army Corps. The purpose of the amendment is to provide that those who have been honorably discharged on account of disability from the auxiliary corps prior to the time it was mustered in as a part of the Army will be given mustering-out pay, but only those who were honorably discharged and who had suffered some disability.

Mr. BROOKS. Mr. Chairman, I move to strike out the last word in this paragraph to say briefly a few words about this amendment. I think the gentleman from California [Mr. COSTELLO] has covered the situation splendidly, but I would like to emphasize that of all the women's service organizations which have been formed, Women's Army Auxiliary Corps was the only women's organization which at its beginning was not a part of the armed forces. In the original formation of the WAAC's, it was thought preferable to organize it beyond the scope of the Army, but as a part of the War Department. After the organization period was completed, however, the Army took the WAAC's into the armed forces, and since that time it has been a part of the armed forces of the Nation under the name of the Women's Army Corps. In the interim arising immediately before the induction of these young women into the armed forces, there arose a few cases of women who had developed physical disabilities, and who received honorable discharges from the WAAC's. This amendment will take care of these women who were honorably discharged from the WAAC's for physical disability. It is a good amendment and I hope it will be passed.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. ROLPH. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ROLPH: On page 8, line 17, after the comma insert "The United States Merchant Marine Service."

Mr. MAY. Mr. Chairman, I make the point of order against that amendment because the same amendment was disposed of earlier in the day. Furthermore, it relates to civilians who are not a component part of the Army.

The CHAIRMAN. The gentleman from Kentucky reserves the point of order, and the gentleman from California [Mr. ROLPH] is recognized for 5 minutes.

Mr. ROLPH. Mr. Chairman, my amendment has but one object—to give mustering-out pay to sailors and officers of the merchant marine.

No mention is made in the bill of these gallant Americans—men who have for months been going back and forth through sub-infested waters of Atlantic and Pacific, risking their lives every time they leave American ports. Are they to be forgotten men in this war effort?

Picture after picture has been released on the screen dramatizing the hazards of life at sea—pictures showing American ships battling with Nazi submarines, Nazi

planes. And from the Pacific, pictures depict skillful seamanship, of vessels zig-zagging back and forth, eluding Japanese planes.

Many of the flower of our manhood are in the merchant marine—men loyally serving our country. Brothers of men and women in the Army, the Navy, Marine Corps, and Coast Guard. Men who are delivering the goods to MacArthur, Eisenhower, Clark, and to our allies. Men who have made possible the stop to Nazi advances in Europe; the Japs in the South Pacific. Men who are actually making it possible for our armies to function.

Mr. Chairman, you remember Gen. George V. Strong's address to us over yonder in the Congressional Library on October 20, 1943. I quote from the general's address:

In discussing Japanese production we are prone to compare it with our own, forgetting that the Japanese front is receiving only a part of the industrial production of the United States. We must not only equip our forces in the Far East and provide material for our troops in the European theater but we must also help supply the forces of our allies, the British, Russians, and Chinese, and we must make good our own combat losses and provide a reserve for future action. It is not fair to compare even that fraction of our production in the United States which goes to the Pacific theater with the production of the Japanese. The difference can readily be seen when one takes into consideration the fact that it is about 3,000 miles from the Japanese industrial centers to the fighting front in New Guinea, while much of the equipment for the United States forces in that area must be shipped nearly three times as far before it reaches our forces. Again, the entire war effort of Japanese industry is directed to the production of materials for war. The Japanese do not need heavy consumer goods such as Americans need.

The answer is transportation. Without adequate oceangoing shipping, our war effort would stop. Mr. Chairman, we rely on the merchant marine. The merchant marine keeps our armed forces supplied. The very outcome of the war depends on open trade lines in all the seven seas. Sailors of the merchant marine should receive the same treatment as those serving in the armed forces.

I urge my colleagues to adopt my amendment. We owe it to these heroic seamen.

Mr. COSTELLO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the purpose of this amendment is to consider the merchant seamen as though they were a part of the armed forces. The fact is that merchant seamen are not members of the military forces of this country. They are a part of the great laboring body of the Nation, and if you are going to include the merchant seamen in this legislation there would be no reason why you should not include shipyard workers and aircraft workers. The fact is they have never been mustered into the service, and how you would ever determine when a merchant seaman was going to be mustered out is yet another problem. Every time a ship comes to port the merchant seamen leave that vessel. They may stay ashore 10, 20, or 30 days before they ship out again. As a result, they might

claim at the end of the next voyage they would be entitled to mustering-out pay and then return immediately to sea to take another voyage across the water. I do not think you can consider merchant seamen a part of the military services. Certainly you would have difficulty in determining the mustering-out time for merchant seamen. In addition, they are receiving a very satisfactory wage, and I think far in excess of what the men in the military services are obtaining at this time. For that reason I think the amendment should not be accepted by the House but should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROLPH].

The amendment was rejected.

Mr. KENNEDY. Mr. Chairman, I ask unanimous consent that we may return to section 5 for the purpose of considering an amendment which I have sent to the desk.

The CHAIRMAN. Is there objection? There was no objection.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY: On page 9, line 12, after the word "be", strike out the remainder of line 12 and line 13, and insert "reviewable by the Board of Veterans' Appeals in such manner as such Board shall, by appropriate rules and regulations, prescribe."

Mr. KENNEDY. Mr. Chairman and members of the Committee, subsection (d) of section 5, provides that the Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this act as may be necessary effectively to carry out the provisions thereof and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

I believe that there should be some means by which a veteran might appeal from an adverse decision upon his application for mustering-out pay. There will be millions of applications for this money and undoubtedly thousands of them will be in dispute. The Supreme Court has, on many occasions, indicated there is no review or appeal available to a veteran or any claimant against a decision of a Government official or body except where Congress specifically makes provision for that review. While I have complete confidence in both the Secretary of War and the Secretary of the Navy, I also know that most of the work and approval will be routine work done by clerks in the different departments and I contemplate many cases where injustices and inequalities will develop, not purposely, of course. In a problem as big as this one there will be much red tape and many errors and for that reason I believe we should amend the act and make provision for an appeal as provided in my amendment, I feel sure it will strengthen the pending bill and make it more acceptable to the men and women in service. I ask for your vote in support of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KENNEDY].

The amendment was rejected.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Sec. 7. Appropriations for the Army and Navy, and the several components thereof, respectively, shall be available for the payments provided by this act and necessary administrative expenses. There is hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this act. Amounts expended hereunder shall be included in the annual reports to the Congress by the departments concerned.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California on page 9, line 25, insert a new section as follows:

"Sec. 8. The Selective Training and Service Act of 1940 as amended is further amended by adding to section 8-G thereof the following: Under such rules and regulations as the Director of Selective Service may prescribe, the facilities, agencies, and personnel of the Selective Service System shall be available for the purpose of furnishing advice and assistance to members of the armed forces and to their heirs, devisees, duly designated beneficiaries, dependents, or legal representatives in connection with their claims for any rights, benefits, gratuities, privileges, compensation, or allowances now or hereafter lawfully due by reason of service in the armed forces subsequent to May 1, 1940."

Mr. MAY. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes in support of his amendment.

Mr. VOORHIS of California. Mr. Chairman, I hope the House will give me 5 minutes to speak on this amendment and will listen to what I have to say.

It is quite different from any other amendment that has been offered to this bill. Of course, I hope the gentleman from Kentucky [Mr. MAY] will not press his point of order. But whether or not this amendment is adopted on this bill, it certainly is a proposition which ought to be considered by the Congress in the very near future.

If there is one criticism that is more important than any other criticism of the things that have happened to some of the men who have already left the service because of disability, it is that they have not in every case known what their entitlements were, nor where to go to secure the assistance and guidance that they have needed. Consequently, in some cases, these men, though disabled, have been discharged without the benefit of any compensation or help at all and sometimes this has continued for a period of time. Such things ought never to happen.

A variety of things are being done to correct this condition by the Veterans' Administration, by the Army, and the Navy, which I welcome and am thankful for, but which I do not have time to discuss now.

The purpose of this amendment is briefly this: It is to say to the Selective Service System, particularly to the local draft boards which exist in every neighborhood in this Nation, "It shall be your duty, obligation, and privilege, not only to call men out of civilian life into mili-

tary service, but also to see to it as their friend at court, as counsel for these men, that they are enabled to make an orderly adjustment and a hopeful one out of military life back to civilian life." These local boards and the Selective Service System generally have done on the whole a remarkably good, though difficult, job of taking men out of civilian life and getting them into the armed forces. I believe, with perhaps some additional trained and expert personnel added to present staffs, this same system and these same boards are admirably equipped to do the much more happy job of helping men to leave their military life and get back to a worth-while civilian life.

My amendment would not mean that the Selective Service System would take over the functions of the Veterans' Administration or the Employment Service or any other agency. It would mean that the veteran coming home can go back to his draft board, which will be equipped with proper skilled personnel, and lay his problems before them, whatever those problems are. He would have a right to call upon that draft board for assistance in securing a worth-while job—for standing by him in his contacts with the Employment Service or prospective employers. The board could readily secure for him the assistance of his fellow citizens in his own community. It could aid him in making out his forms for compensation, pensions, insurance, or other claims to be presented to the Veterans' Administration; it could follow those claims through; it could advise and help him in securing the opportunities for vocational training, rehabilitation, or further education which may be open to him; there are a hundred ways in which they could help him to get back into civilian life again.

I believe such a measure would be of very marked assistance to the Army and Navy in their job of demobilization when that time comes. If the local draft boards were equipped with all the forms that might be necessary, they could be of marked assistance in identification and in helping with claims of every sort. With all the information that they already possess as a result of drafting men into the Army and going through all the manpower in their community, they are obviously in a position to do this work as no other agency can be equipped to do it. The boards would know at any time just how many discharged veterans were in the community, what their qualifications and experience were, what their special problems consisted of.

I hope, Mr. Chairman, that we are going to realize that our job is only beginning with the passage of this bill; that there remains to be done the whole careful, thoughtful job as to just how these 11,000,000 men are going to be brought back into civilian life of their country after victory is finally won.

This bill is a step in that direction, but only the very first step.

Another thing that is more incumbent upon us than anything else is to see to it that the general over-all economic problem of this Nation is met and that we are prepared with such measures as will be necessary, in order that we may

have economic health and full employment when the war is over. But certainly, as a means of giving to the veteran the best and most interested assistance that he can have and putting the obligation upon a group in his own community to be his counsel, adviser, and helper in his contacts with private agencies as well as governmental agencies, this proposal has decided merit, and I recommend it to the House.

If the point of order lies against my amendment, nevertheless I hope that at some early future time we can put this provision in a bill.

The CHAIRMAN. The time of the gentleman from California [Mr. VOORHIS] has expired.

Mr. MAY. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. VOORHIS of California. Briefly, Mr. Chairman. This is a bill for mustering-out pay. My amendment seeks to provide machinery which would be, in my judgment, of very marked assistance to the veteran at the time he is mustered out, to make his mustering-out pay go to the point of assisting him to the greatest possible extent. It certainly applies to the problems he will face at the time he is mustered out, even as mustering-out pay does. I think it might well be that in a great many cases the payment of this mustering-out pay, if made to the veteran, could be accompanied by advice and counsel and help which he may receive from his local draft board, and would make the payment of that mustering-out pay of greater benefit to him than would otherwise be the case.

The CHAIRMAN (Mr. SMITH of Virginia). The Chair is of the opinion that the amendment is not germane to the pending bill. Therefore, the Chair sustains the point of order.

Mr. ELSTON of Ohio. Mr. Chairman, I ask unanimous consent to return to the end of section 6 for the purpose of offering a clarifying amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. ELSTON]?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. ELSTON of Ohio: On page 9, line 17, insert the following new subsection:

"(b) The term 'spouse' means a lawful wife or husband.

"(c) The term 'child' includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

"(d) The term 'parent' includes father and mother, stepfather and stepmother, and father and mother through adoption."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ELSTON].

The amendment was agreed to.

The Clerk read as follows:

SEC. 8. This act may be cited as the "Mustering-Out Payment Act of 1944."

Mr. HINSHAW. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW, as a new section to follow section 8:

"SEC. — No officer or enlisted man or woman shall be discharged or released from active duty until his or her certificate of discharge or release from active duty and final pay, or a substantial portion thereof, including mustering-out pay, are ready for delivery to him or her or to his or her next of kin or legal representative; and no wounded, diseased, or handicapped member of the active armed forces shall be released from active service until and unless adequate provisions are made for him or her under the laws and regulations administered by the Veterans' Administration."

[Mr. HINSHAW addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. Does the gentleman from Kentucky insist on his point of order?

Mr. HINSHAW. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

The question now is on the adoption of the committee substitute as amended to the Senate bill.

The committee substitute was adopted.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point and to include a statement I made in the committee.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I desire to offer my congratulations to the members of the Military Affairs Committee on the excellent work they have done in bringing to this floor today the mustering-out pay bill. It shows careful, sympathetic, and painstaking consideration on the part of the Members having jurisdiction over this important legislation.

I was one of the several Members of the Congress who appeared before the Military Affairs Committee during the hearings on this legislation, at which time I made a number of general suggestions. I am delighted to see that the bill as reported, and on which we are about to vote, follows, in a general way, the suggestions made at that time.

Of course this is not a perfect bill. It is not as liberal as I would like to vote for and, in my judgment, the mustering-out pay should be spread out over a period of several months. It is hoped that when the final bill is passed these matters will be taken into consideration.

Following is the statement made by me on this legislation before the House Committee on Military Affairs:

STATEMENT OF HON. JED JOHNSON, MEMBER OF CONGRESS FROM OKLAHOMA

The CHAIRMAN. We are pleased to have with us this morning a former member of this committee, the Honorable JED JOHNSON of Oklahoma. Will you please give us your views of this legislation, Mr. JOHNSON?

Mr. JOHNSON of Oklahoma. Mr. Chairman, may I express my appreciation for the opportunity of appearing before this im-

portant committee, the House Committee on Military Affairs, for the purpose of making a brief statement.

Several years ago, I had the pleasure of serving on this committee and I enjoyed my work on it very much. When I first became a member, the able gentleman from Michigan, Mr. Frank James, was the chairman. Later under Democratic control, I served under another distinguished and able chairman, the late Representative from Mississippi, Mr. Percy Quin. Still later, I served under the brilliant and lovable character whom some of you knew, Major McSwain, of South Carolina, who has also passed to his reward. The only present members of the committee with whom I had the pleasure of serving are your distinguished chairman, Hon. ANDREW MAY and Hon. R. EWING THOMAS. So it is with unusual pleasure that I appear here at this time.

Now, Mr. Chairman, my purpose in appearing at this time is to express my support and enthusiastic approval of proposed legislation now being considered by your committee to grant our men and women in the armed forces a reasonable and equitable mustering-out pay. It is not too early to think about this legislation, nor is it too soon for Congress to adopt a plan and enact legislation on the matter. If the plan is worked out, is fair and reasonable, it will have the effect of strengthening the morale in the armed forces. Conversely, if such a plan is neither fair nor reasonable, it is obvious that it would have the opposite effect on those now, or who will hereafter be, connected with our armed forces.

For example, Chairman MAY yesterday raised a very pertinent question when he stated on the floor of the House that one of the problems to be considered today was whether a person serving only a couple of weeks should receive the same muster-out pay as one who has had a couple of years of overseas service. To my mind, that ought not to be a difficult decision to make. Certainly those who have seen active foreign service are entitled to more muster-out pay than one who has served a few days or a few weeks in the homeland. Those of us who had a humble part in World War No. 1 will recall how extremely difficult it was for us to adjust ourselves after the long months overseas. Generally speaking, I think it is safe to say that the longer one has served in the armed forces with radically changed habits and environments, that the more difficult and the longer it will take for readjustment to civilian life, even though the soldier or sailor might be able to find a job or reenter the business or professional life where he left off.

The gentleman from Louisiana has offered a bill that presents food for thought. If I remember its provisions correctly, it proposes simply to furlough all in the armed forces for a period of 3 months. Such a provision would immediately raise questions, if not serious complications. Aside from paying the man with 2 or 3 weeks' service his regular pay for 3 extra months, during his furloughed status, the same as the man who had served 2 or 3 years, which is clearly indefensible, it proposes to pay high-ranking Army and naval officers several times the same amount while on their furloughed status while at home looking for a job as would be paid the private soldier. Now, they may be worth several times the salary while actually in the Army. Having served as a buck private in France during World War No. 1, even that proposition is at least debatable. But to say that a high-ranking officer should receive from \$1,500 to \$2,500 during that 3 months at home, while the buck private receives \$150 for the same period of adjustment, cannot be defended, and I give notice now that I shall oppose any such provision.

Then what, may you ask, is the answer? You remember that the so-called bonus bill, or adjusted-compensation measure enacted by the Congress for veterans of World War No. 1 paid the soldier \$1 for each day served in the homeland and \$1.25 for each day in foreign service. Although the amount paid seems small, it did recognize the length of time in service.

Let me suggest that in this legislation, there should be a minimum and a maximum of muster-out pay. Just what that minimum and maximum should be is a problem for members of your distinguished committee and the Congress to work out and agree upon. It might be that 3 months' so-called furlough pay, or muster-out pay, would be reasonable for the minimum. If so the soldier or sailor from 1 to 3 years' service is justly entitled to considerably more.

Of course, I realize that merely handing our Nation's defenders a few dollars or a few hundred dollars of muster-out pay will by no means solve the problem or pay the debt we owe them. We can never do that with mere dollars. My own feeling from my own experience is that the main thing the average man or woman in uniform will want will be a job or a business with which to earn a decent and respectable living for himself or herself when that happy time comes that they can be mustered out of service. In the meantime, we must face this as well as many other problems that arise as a result of this tragic war fairly and courageously with justice to all.

The CHAIRMAN. Thank you very much, Mr. JOHNSON of Oklahoma.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill S. 1543, reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Mr. HARRIS of Arkansas. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-six Members are present, a quorum.

The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MAY. Mr. Speaker, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 387, nays 0, not voting 40, as follows:

[Roll No. 4]

YEAS—387

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|------------------|--------------|----------------|
| Abernethy | Barden | Bonner |
| Allen, Ill. | Barrett | Boren |
| Allen, La. | Barry | Boykin |
| Andersen, | Bates, Ky. | Bradley, Mich. |
| H. Carl. | Bates, Mass. | Bradley, Pa. |
| Anderson, Calif. | Beall | Brehm |
| Andresen, | Beckworth | Brooks |
| August H. | Bell | Brown, Ga. |
| Andrews | Bender | Brown, Ohio |
| Angell | Bennett, Mo. | Brumbaugh |
| Arends | Blshop | Bryson |
| Arnold | Blackney | Buckley |
| Auchincloss | Bland | Buffett |
| Baldwin, Md. | Bloom | Bulwinkle |
| Baldwin, N. Y. | Bolton | Burch, Va. |

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|-----------------|--------------------|-----------------|
| Burchill, N. Y. | Gwynne | Miller, Pa. |
| Burdick | Hagen | Mills |
| Burgle | Hale | Monkiewicz |
| Busbey | Hall | Monroney |
| Butler | Edwin Arthur | Morrison, N. O. |
| Byrne | Hall | Mruk |
| Camp | Leonard W. | Mundt |
| Canfield | Halleck | Murdock |
| Cannon, Fla. | Hancock | Murphy |
| Cannon, Mo. | Harless, Ariz. | Murray, Tenn. |
| Capozzoli | Harris, Ark. | Murray, Wis. |
| Carlson, Kans. | Hart | Myers |
| Carriger | Hartley | Norman |
| Carson, Ohio | Hays | Norrell |
| Carter | Heffernan | O'Brien, Ill. |
| Case | Heldinger | O'Brien, Mich. |
| Celler | Hendricks | O'Brien, N. Y. |
| Chapman | Hess | O'Connor |
| Chenoweth | Hill | O'Hara |
| Church | Hinshaw | O'Konski |
| Clark | Hobbs | O'Neal |
| Clason | Hoeven | O'Toole |
| Clevenger | Hoffman | Outland |
| Cochran | Hollifield | Pace |
| Coffee | Holmes, Mass. | Patman |
| Cole, Mo. | Holmes, Wash. | Patton |
| Cole, N. Y. | Hope | Peterson, Fla. |
| Colmer | Horan | Peterson, Ga. |
| Compton | Hull | Pfleider |
| Cooley | Izac | Philbin |
| Cooper | Jarmain | Phillips |
| Costello | Jeffrey | Pittenger |
| Courtney | Jenkins | Ploeser |
| Cox | Jennings | Plumley |
| Cravens | Jensen | Poage |
| Crawford | Johnson, Anton J. | Poulson |
| Crosser | Johnson, Ind. | Powers |
| Cunningham | Johnson, John | Pracht |
| Curley | Jeffrey | Price |
| Curtis | J. Leroy | Priest |
| D'Alesandro | Johnson, Luther A. | Rabaut |
| Davis | Johnson, John | Ramey |
| Dawson | Johnson, Lyndon B. | Ramspeck |
| Day | Johnson, Oklahoma | Randolph |
| Delaney | Johnson, Ward | Reece, Tenn. |
| Dewey | Jonkman | Reed, Ill. |
| Dickstein | Judd | Reed, N. Y. |
| Dies | Kean | Rees, Kans. |
| Dillweg | Kearney | Richards |
| Dingell | Kee | Rizley |
| Disney | Keefe | Robinson, Utah |
| Dondero | Kefauver | Robison, Ky. |
| Doughton | Kelley | Rockwell |
| Douglas | Kennedy | Rodgers, Pa. |
| Drewry | Keogh | Rogers, Calif. |
| Durham | Kerr | Rogers, Mass. |
| Dworschak | Kiburn | Rohrbough |
| Eaton | Kilday | Rolph |
| Eberhardt | Kling | Rowan |
| Ellott | Kluzer | Rowe |
| Ells | Kirwan | Russell |
| Ellison, Md. | Klein | Sabath |
| Ellsworth | Knutson | Sadowski |
| Elmer | Kunkel | Sasscer |
| Elston, Ohio | Lambertson | Satterfield |
| Engel, Mich. | Lands | Sauthoff |
| Engle, Calif. | Lane | Scanlon |
| Fay | Lanham | Schiffer |
| Feighan | LeCompte | Schwabe |
| Fellows | LeFevre | Scott |
| Fenton | Lemke | Scrivner |
| Fernandez | Lesinski | Shafer |
| Fish | Lewis | Sheppard |
| Fisher | Ludlow | Short |
| Flannagan | Lynch | Sikes |
| Fogarty | McCord | Simpson, Pa. |
| Folger | McCormack | Slaughter |
| Ford | McCown | Smith, Maine |
| Fulbright | McGhee | Smith, Ohio |
| Furlong | McGregor | Smith, Va. |
| Gale | McKenzie | Smith, W. Va. |
| Gallagher | McLean | Smith, Wls. |
| Gathlings | McMillan | Snyder |
| Gavin | McMurray | Somers, N. Y. |
| Gearhart | McWilliams | Sparkman |
| Gerlach | Maa | Spence |
| Gibson | Madden | Springer |
| Gifford | Mahon | Stanley |
| Gilchrist | Manasco | Starnes, Ala. |
| Gillie | Mansfield | Stearns, N. H. |
| Gillie | Mont | Stefan |
| Goodwin | Mansfield, Tex. | Stevenson |
| Gordon | Marcantonio | Stewart |
| Gore | Martin, Iowa | Stockman |
| Gorski | Martin, Mass. | Sullivan |
| Gossett | Mason | Sumner, Ill. |
| Graham | May | Sumners, Tex. |
| Grant, Ala. | Merritt | Sundstrom |
| Grant, Ind. | Merrow | Taber |
| Green | Milchener | Talbot |
| Gregory | Miller, Conn. | Talle |
| Griffiths | Miller, Mo. | Tarver |
| Gross | Miller, Nebr. | Taylor |

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|-----------------|---------------|------------------|
| Thomas, N. J. | Wadsworth | Wickersham |
| Thomas, Tex. | Walter | Wigglesworth |
| Thomason | Ward | Willey |
| Tibbott | Wasilewski | Wilson |
| Tolan | Weaver | Winstead |
| Towe | Weichel, Ohio | Wolcott |
| Treadway | Weiss | Wolfenden, Pa. |
| Troutman | Welch | Wolverton, N. J. |
| Vincent, Ky. | Wene | Woodruff, Mich. |
| Vinson, Ga. | Whelchel, Ga. | Woodrum, Va. |
| Voorhis, Calif. | White | Worley |
| Vorys, Ohio | Whitten | Wright |
| Vursell | Whttington | Zimmerman |

NOT VOTING—40

| | | |
|-------------------|-------------|---------------|
| Anderson, N. Mex. | Harris, Va. | Magnuson |
| Bennett, Mich. | Herter | Maloney |
| Chiperfield | Hoch | Morrison, La. |
| Cullen | Howell | Mott |
| Dirksen | Jackson | Newsome |
| Domeneaux | Johnson, | Norton |
| Fitzpatrick | Calvin D. | O'Leary |
| Forand | Jones | Rivers |
| Fuller | Kleberg | Robertson |
| Gamble | LaFollette | Schuetz |
| Granger | Larcade | Sheridan |
| Hare | Lea | Simpson, Ill. |
| Harness, Ind. | Luce | West |

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

| |
|---|
| Mr. Schuetz with Mr. Dirksen. |
| Mr. Fitzpatrick with Mr. LaFollette. |
| Mr. Morrison of Louisiana with Mr. Bennett of Michigan. |
| Mr. O'Leary with Mrs. Luce. |
| Mr. Magnuson with Mr. Jones of Ohio. |
| Mr. Domeneaux with Mr. Simpson of Illinois. |
| Mr. Larcade with Mr. Herter. |
| Mr. Norton with Mr. Fuller. |
| Mr. Hoch with Mr. Chiperfield. |
| Mr. Robertson with Mr. Howell. |
| Mr. Harris of Virginia with Mr. Winter. |
| Mr. Cullen with Mr. Gamble. |
| Mr. Sheridan with Mr. Calvin D. Johnson. |
| Mr. Newsome with Mr. Mott. |
| Mr. Kleberg with Mr. Harness of Indiana. |

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO PRINT

Mr. MAY. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks made this afternoon and include certain excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I make the same request in respect to the remarks I made in Committee today, and also to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a portion of a letter written by Pvt. Ransom Gurganus.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. D'ALE SANDRO. Mr. Speaker, I ask unanimous consent to extend my re-

marks made in Committee today and include a telegram.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an article appearing in today's New York Herald-Tribune.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short editorial.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. JOHNSON of Oklahoma. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement made to the Committee on Military Affairs on the bill just passed, and that it may be printed before the roll call today.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Boston Daily Globe.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

LEAVE TO ADDRESS THE HOUSE.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that tomorrow after the conclusion of all other special orders I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an address delivered by Hon. Robert H. Roberts, mayor of Warren, Ohio, at a dedication of Mosquito Creek Dam.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

FARM MEAT STAMPS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. There are other special orders in order today, but the Chair will put the request. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR] that he address the House for 2 minutes?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I have just read an article in the Post of January 18: "O. P. A. Prevalidates Farm Meat Stamps, 216 Points Made Available in Move to Help Farmers." The article went on to say that the advance use of the points was granted to stimulate on-

the-farm purchases of pork or any other rationed meat bought directly from farmers who have been unable to market their meat regularly through normal channels.

What the article did not say was that through stubborn insistence the O. P. A. has continually refused to either lower all the point values on meat or else do away entirely with points on meat until such time as the congestion that now exists is relieved.

Just recently, I have seen with my own eyes advertisements running in a southeastern Montana newspaper, the Miles City Daily Star, put in by buyers, telling the farmers not to bring any hogs into market, that the market was glutted so that they were not buying any more hogs until a better situation existed. Those farmers who were not aware of the existing conditions and brought hogs into market either had the trip in vain, or else had the expensive choice of feeding them at the sales yards on feed the cost of which was prohibitively high.

For months now I have pleaded on the floor of the House for the O. P. A. to do either one or two things—to either lower the point values on meat or else take away the points altogether until such time as the situation readjusts itself. The present stubborn, stupid policy is not the work of bureaucrats, it is the work of nincompoops.

There is hardly a mail coming into my office that does not bring a letter of protest from some Montana cattle, sheep or hog man over existing conditions. They are not only finding themselves unable to dispose of their product but now find that the cost of feed is becoming prohibitively higher and higher. I have said before and I say again, such a condition if allowed to exist will result in only one thing—a serious cut in the production of feeder animals.

We have the meat, why not make it possible for the American public to have it?

RIGHT OF ARMED FORCES TO VOTE

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARLESS of Arizona. Mr. Speaker, I would like to express my views upon the proposed legislation, which will permit members of the armed forces to vote. I am unqualifiedly in favor of legislation which will make it possible to deliver ballots to the men and women in the service and have those ballots returned in time for the general election. I want every member of the armed forces, both men and women, given this opportunity, and I shall support legislation which makes it possible for them to exercise their franchise.

In view of the fact that these men and women are scattered all over the world, this legislation is emergency in its aspect. I recognize that there is a question of States' rights involved, and, whenever possible, I believe that we should reserve local government as against the concentration of power in Washington. How-

ever, I am convinced that the only way these men and women will be able to vote for the President, Vice President, Senators, and Congressmen in the coming election is for this Congress to enact a law to provide uniformity in the handling of ballots. Of course, such a plan would be only for the duration. It would be a sad state of affairs if we denied the right to vote to the fine Americans who are now serving our country on the far-flung battle fronts of the world. They have as much or more at stake at this time than any other Americans.

It is unfortunate that the 48 States cannot provide a uniform system of issuing ballots so that the military and naval authorities could supervise the delivery of ballots to the respective voters who are now abroad. We have been told by the Secretaries of War and the Navy that it would be impossible to supervise the handling of ballots for the 48 States with 48 different election laws. Therefore, in the interest of the rights of those true Americans it becomes necessary by special emergency legislation to provide a uniform ballot in order that all of our service men and women, wherever they may be, can cast their votes for their choice of candidates in the coming election. They are entitled to this right; and insofar as it is possible for me to provide it for them, they shall have it.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter received from Governor Saltonstall, and also a letter to him from the commissioner of education.

Mr. MICHENER. Mr. Speaker, I reserve the right to object for the purpose of asking something about the program for the rest of the week and next week.

Mr. McCORMACK. Mr. Speaker, the bill relating to international relief and rehabilitation comes up tomorrow. The rule provides for 2 days of general debate. Of course, we have the reception of a distinguished visitor also on the program. Two days of general debate means Thursday and Friday. It is my intention to ask unanimous consent that when the House adjourns on Friday it adjourn to meet on the following Monday, which means that that bill would come up on the following Monday under the 5-minute rule. It is true there is a discharge petition, I understand, on the program for that day, and that will be kept in line, but the bill to which I have referred under the 5-minute rule will not be considered before Monday if we adjourn from Friday until Monday.

Mr. MICHENER. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, in order to have the matter settled, I ask



Mr. President, this condition did not come about by accident. We are where we are because we have had an administration, farsighted and conscientious, both in the field of domestic welfare and of grim warfare.

In the final analysis the value of a political party to the Nation is twofold: It must propose a program and it must carry its program into action. Once a definite program has been offered to the people, the party must receive, through an election, the consent of the people to enable it to act. It then acts under the mandate of the people, often in opposition to the policies of the political party not so mandated, and, fortunately, sometimes in harmony with those more reasonable elements of the opposition who have listened to the mandate of the people and are able to rise above party to support action upon programs of unquestioned value to the Nation.

No one would question the fact that we have had political party government in the United States for a century and a half, and no one would doubt the strength and enduring value of our form of government. But at moments in the Nation's history when great problems and questions of vital import cry for solution, as has been the case for the last 11 years, no one questions the necessity of all persons transcending party lines and giving the Nation the soundly progressive legislation needed to assist it through national and international stress and strain and finally to effect its full recovery.

Such legislation by the Congress, and administration thereof by the President, has not only been introduced and supported by the majority party, but a careful check of the records reveals that the minority party has supported some democratic policies and legislative acts of unquestioned value and merit.

The stamina and integrity of a nation are manifested in the character of its laws. The wealth of a nation exists not only in its treasury and its natural resources, but in the contentment and moral character of its people.

The broad, wholesome, and comprehensive laws enacted and administered under the Roosevelt administration have done more to stabilize this country than any other single feature. The Democratic legislative program has infused the strength and resistance into the Nation that have made possible the great victories our military forces have achieved since the treacherous attack at Pearl Harbor. Had the infamy perpetrated by Japan happened in the closing days of the Hoover administration, due to the fact that our military and naval strength not only had not been increased but had been permitted to decline, the onslaught then might have been fatal.

The stimulation of popular legislation beneficial to all the people, expounding the Jeffersonian theory of "the greatest good to the greatest number," has given to this Nation renewed vitality, force, and defensive aggressiveness. Surely there is no one of rational thought, other than those politically prejudiced, who would

ask for the repeal of Democratic national policy-making legislation. Such legislation has been the backbone of the country, and made possible the great resistance recently exhibited in this national emergency.

The Democratic legislative record from 1933 to 1943 has been such as to give stability, energy, and victory to the Nation, economically, financially, and defensively. The soundness of the legislative policies made this Nation an invincible stronghold. The fortitude of the people, and their immediate conversion to a strong, aggressive attitude, were possible only as a result of the wholesomeness of the legislative program enacted under the Democratic administration. This program brought out the splendid national resourcefulness of the Nation.

After President Roosevelt assumed office, before the ringing words of his first inaugural address had ceased echoing through the Nation, his immediate action in declaring a bank holiday inspired the Congress to pass national emergency financial legislation, which resulted in sound banking policies in an unprecedentedly brief time. This action was but a forerunner of the strong financial legislation that was to follow in the months and years to come.

The agricultural legislation that kept the farmer from burning his products for fuel and gave him a profitable return for his labor, the home owner's relief that saved him from eviction and the processes of the sheriff, the remedial legislation that banished the bread line, the heartening legislation that conquered unemployment, the laws that gave relief to labor, the miner, the railroad worker, the industrial employee, all were creations of Jeffersonian-minded legislators. The veterans, servicemen and women, have received unprecedented advantages, as evidenced by the long list of laws enacted in their behalf. The industrialists, the capitalists, the manufacturers, the women and children, the lame, the halt, and the blind, were all given a fairer consideration and definite benefits by the legislative creations of the Democratic Congresses.

Mr. President, I am appending hereto a brief summary of some of the outstanding legislation enacted by Congress and the Roosevelt administration during the past 11 years. I shall not do more than call attention to it. I have outlined 34 different legislative policies which have been enacted into law during the period of which I speak. I shall not take the time of the Senate to recite them paragraph by paragraph, but I ask unanimous consent that they may be appended to the remarks I have just made.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Is there objection?

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE PARADE OF PROGRESS—RECORD OF ACHIEVEMENT, DEMOCRATIC ADMINISTRATION, 1933-34

1. A sound banking system was inaugurated which was more flexible and responsive to the needs of the small depositor, investor, or borrower.

2. Federal guaranty of bank deposits and the reopening of closed banks was provided through the Federal Deposit Insurance Corporation and the Emergency Banking Relief Act.

3. Monetary and financial stabilization was strengthened by passage of the Gold Reserve Act and the Silver Purchase Act. The unsteady position of public finance and credit was corrected by the reciprocal trade agreements, the Municipal Bankruptcy Act, and the Farm Bankruptcy Act, all being major factors in assisting business, municipalities, and farmers to put their finances on a firm basis with renewed confidence.

4. The Home Owners' Loan Corporation was organized to save thousands of homes from foreclosures.

5. Farm homes and farms were saved from foreclosures by the establishment of the Farm Credit Administration.

6. Farmers who were vainly laboring to work unprofitable marginal lands were resettled upon new and arable farms and lands throughout the Nation.

7. Electricity, and thus time-saving and labor-saving devices and machinery, was brought to twice as many farms during the 8 years of R. E. A. as had been provided in the last 50 years.

8. A vast program of water conservation has been carried out implemented by the expanded program of dam and reservoir construction. Many marginal farms and unarable lands have thus become arable.

9. Floods, which have always taken an annual toll of millions of dollars from the rural and urban areas alike, have been largely controlled and restrained through operation of the water-conservation program and flood-control acts, such as the Mississippi River Flood Control Act, the Omnibus Flood Control Act, and the Flood Compact Act.

10. Drought-control and drought-relief programs have formed integral parts of all agricultural legislation dealing with conservation. Water-facilities programs provided treatment for more than 3,530,000 acres.

11. The soil conservation program has returned thousands of depleted and abandoned farms to use. More than 30,000,000 acres have been saved or returned to production.

12. Financial and production aid has been extended to all farmers through the Soil Conservation and Domestic Allotment Act and the farm mortgage acts.

13. Farm tenancy with its former substandard living conditions has been improved through operations of the farm tenant acts.

14. Encouragement and assistance has been given to the establishment of farm cooperatives effecting reduction in operating and living costs to the farmer and fostering community solidarity and self-reliance.

15. Crop insurance and parity payments have maintained a level of farm prices which have kept farms in production through periods of distress.

16. The natural resources of the Nation have been conserved through the various agricultural programs, and by the establishment of new national parks and monuments. The production of scarce strategic and critical materials has been benefited by the financial assistance by the Government in research in synthetic production, this in turn will create new markets for the farms and mines of the Nation while conserving supplies of the natural product.

17. Public works projects have been carried forward in every section of the nation in providing work through critical periods and adding to the wealth of the Nation a broad variety of permanent improvements such as roads affording access to remote sections, highways, bridges, dams, and stream control, public buildings, and recreational areas.

18. The Civilian Conservation Corps formed to provide a healthful and normal environ-

ment for the unemployed youth of the country carried out a program of road building and reforestation which has added to the future national wealth and the conservation of the Nation's forests.

19. The National Youth Administration aided thousands of underprivileged young people through vocational study programs, direct work programs, and student aid.

20. Old-age and retirement insurance has been provided through the cooperation of government and industry.

21. Unemployment insurance has given the worker freedom from hunger and fear through periods of industrial stress.

22. The Government in cooperation with the States has given financial aid and vocational training to the crippled and the blind.

23. Funds have been distributed through the Federal Emergency Relief Administration to starving and undernourished persons having no other local or private sources of assistance.

24. Slum clearance has given decent housing and encouragement to thousands of underprivileged families.

25. Private home building has been stimulated through the activities of the Federal Housing Administration.

26. Housing projects for new industrial areas have given clean and comfortable quarters to war workers.

27. Legislation has been passed abolishing child labor and its attendant evils.

28. Minimum-wage and maximum-hour legislation have given the worker protection from unscrupulous exploitation wherever it may have prevailed.

29. The establishment of the National Labor Relations Board has provided a sound and effective means for the settlement of labor disputes.

30. Utility monopolies have been broken providing relief to the consumers from extortionate rates and charges.

31. Legislation was enacted providing for the truth being told to investors in securities, and the Securities and Exchange Commission was set up to protect the investor from corrupt stock exchange and dealer practices wherever met.

32. Reciprocal trade agreements have been made with many cooperating nations effecting a sounder and more mutually prosperous relationship with foreign nations.

33. The good-neighbor policy has brought a closer understanding of the mutual problems and means of solving them to the nations of the Western Hemisphere.

34. Our servicemen and women have been aided by increased compensation, greater benefits for their dependents, and job assurance after the war.

The present administration believes that it has brought about a broader conception of human relationships, and a better general understanding of individual and governmental responsibilities. This should point the way to a more sympathetic and cooperative procedure for the solution of future problems. There has come into the hearts and minds of the people a renewed hope and feeling of security against the dangers and hazards implicit in the problem of conversion of a world at war to a world of permanent peace.

MUSTERING-OUT PAY FOR MEMBERS OF THE ARMED FORCES

The PRESIDING OFFICER (Mr. McFARLAND in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes.

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate disagree to the amendment of the House,

request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. REYNOLDS, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. AUSTIN, and Mr. BRIDGES conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to.

The Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH of Massachusetts, from the Committee on Naval Affairs:

Capt. Don P. Moon, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 21st day of November 1942.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

NOMINATIONS CONFIRMED EN BLOC

Mr. BARKLEY. Mr. President, the first order of business on the calendar is a nomination in the Marine Corps, which has been passed over several times. I ask unanimous consent that, with the exception of that order, all the other nominations be considered and disposed of en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nominations, with the exception of the first order, are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be notified immediately of all these confirmations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

THE MARINE CORPS—COL. WILLIAM P. T. HILL

The legislative clerk read the nomination of Col. William P. T. Hill to be quartermaster of the Marine Corps.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

Mr. BUSHFIELD. Mr. President, at the time the nomination of Colonel Hill was first presented to the Senate I raised an objection. I wish now to acknowledge the very gracious courtesy extended me by the distinguished majority leader, the Senator from Kentucky [Mr. BARKLEY]. He has always been helpful, courteous, and cooperative, and I wish to assure him that I appreciate his granting me the opportunity to investigate some objections which were filed with me in connection with this nomination.

I do not know Colonel Hill personally, I never heard of him before his nomina-

tion was sent to the Senate for confirmation, but at that time a number of objections were presented to me as to why Colonel Hill should not be confirmed at this time, and I think it my duty to lay before the Senate what has been brought to my attention, in spite of the fact that the distinguished majority leader stated what would be the probable outcome of the objections, when he said such nominations have always been confirmed.

In the first place, I do not appear for any official either of the Army or the Navy, but I am speaking today, in these few brief remarks, on behalf of all the commissioned officers of the Army and Navy, the Coast Guard and the Air Force, for throughout their lifetime these men in the armed services have striven for and have endeavored to secure advancement in their ratings. Their entire life objective is to progress in their profession. Men in the armed services are set aside, practically speaking, from all the privileges and opportunities of those in civil life in our country. If anything occurs relative to promotions in these services, their mouths are sealed, and I feel that the matters which have been brought to my attention in the last week should be presented to the Senate for consideration. Perhaps there is nothing in what I shall say concerning Colonel Hill personally, possibly there may be, I do not know, but it is the situation which exists which I think should be taken into consideration by the Naval and Military Affairs Committees of this body as well as the general policy prevailing.

A few days ago the distinguished Senator from Kentucky had placed in the RECORD a letter from General Holcomb, which, as I recall, was addressed to the senior Senator from Massachusetts [Mr. WALSH]. In that letter several statements are made which I do not believe are borne out by the facts in this case. In the first place the statement is made in General Holcomb's letter:

There is but one officer, Brig. Gen. Bennett Puryear, Jr., on the eligible list for appointment as head of the Quartermaster's Department.

Mr. President, I take issue with that statement as not representing the facts, and misleading to the Senate. The facts of the matter are that there are six qualified colonels on the accredited list in the Quartermaster's Department who are entitled by right of seniority, by right of service, and by right of their service records, to be considered in connection with the appointment. I read the names: Col. Arnold W. Jacobsen, of the State of Iowa, now depot quartermaster at San Francisco; Col. Ery M. Spencer, of the Marine Corps, now director of the Quartermaster School at New River, N. C.; Col. William M. Best, of California, now post quartermaster at Quantico; Col. Maurice E. Gregory, now department quartermaster at Philadelphia; and Col. Andrew E. Cressy, of the State of Massachusetts, now on duty in the southwest Pacific with the Marine Corps.

All those officers are ahead of Colonel Hill in the list for consideration as quar-

a liberated country has the right to occupy that country and hold an election to determine who shall control the government. Stalin will be the first Ally to reach most every country. Stalin with his army will hold the elections. Stalin will use his army to win the elections the way Hitler did it in Austria and Stalin himself did it in east Poland. Stalin has political machines already set up to win the elections in most every European country. Thus Stalin can use U. N. R. R. A. money to make himself dictator of Europe and keep himself dictator of Europe. The fact that millions of Europeans know it and will fight to prevent it makes this measure another victory for the Axis. It is not kind to the people of Russia to help their ambitious leader Stalin acquire so much power that people who should be fighting with us want to help Hitler in order to prevent Stalin having as much power over Europe as Hitler had.

This money will not be paid for by you or your generation. It will be paid by veterans and the children of veterans, many of whom have already made the supreme sacrifice for the civilians of Europe.

The safe, sane, constitutional, and Christian way to relieve the victims of Nazi barbarism is to organize a tremendous drive for voluntary contributions to be paid for by Americans of our generation, many of whom have war-swollen fortunes. Let it be distributed by the Red Cross, the Quakers, and other practical, nonpolitical organizations.

There is no law to prevent you or any other American citizen giving everything you possess to this cause. But you in Congress have not this constitutional authority. Federal contributions to foreign countries have been made in the past, but the sums were so small we winked at the practice. Congress has no constitutional authority to force Americans of this or any other generation to give money to people outside of America.

Mr. FISH. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I commend the gentlewoman from Illinois, who expressed to the House in such eloquent terms her strong feelings about this bill from a strictly American point of view. Thank God, there are those in this legislature that still use that one yardstick, what is best for America, and know nothing else different.

I admire Winston Churchill, I admire even Joe Stalin, the leader of communism, for one thing. First, I admire Winston Churchill, I may say, because he always puts the interest of the British Empire first, and Joe Stalin always puts the interest of the Communists first. The gentlewoman expressed her views.

Mr. EATON. I refuse to be accused of being disloyal here. I am as good an American as is the gentleman or any of his breed. I want him to understand that.

Mr. FISH. I will reach the gentleman in due time.

I repeat my statement that the gentlewoman from Illinois, using that one yardstick, what is best for America, gave

her views. She is entitled to her views and the gentleman is entitled to his.

Mr. EATON. She is; and so am I.

Mr. FISH. I do not believe that in this vital issue there should be either partisanship or rancor, but if we cannot say that a Member of this House is entitled to express her views the same as other people have in other nations, using that one yardstick, what is best for America, then there is something wrong about free speech in America. That is all she did. I am not criticizing anybody opposed to this bill because I may vote for this bill myself. If it is amended, I may vote for this bill myself. I voted it out of the Committee on Rules because I believed it should be considered in the House and substantially amended.

I do not agree with the gentlewoman who spoke to this extent. I think the time of the Congress has come—and I agree there is involved a debatable constitutional question, but I am ready to vote to feed these millions, to clothe them, to give them medical supplies and fuel, but I am not ready to vote for this bill, which includes rehabilitation, the building of factories, and public utilities. Why should we spend \$1 of American money to build any factory in Europe, to be owned by whom?

When the gentleman from the Committee on Foreign Affairs appeared before the Committee on Rules, I asked him, "What does this rehabilitation mean?" He said, "It means that we can build factories in these foreign nations." I said, "What kind of factories?" He said, "Textile factories." Imagine using American money to build textile factories in Europe.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I have only 12 minutes and I must continue, because I have a good deal to say.

Mr. SABATH. I would appreciate it if the gentleman would state the name.

Mr. FISH. I do not want to name any names here. It was a distinguished gentleman of the committee, who specifically said textile factories, that you can build textile factories, you can build steel mills, you can build glass factories, or any other kind of factories.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. FISH. I will not yield, I am sorry to say.

Mr. BLOOM. I just want to get it right, that is all. The gentleman is making a misstatement.

Mr. FISH. If the gentleman says I am making a misstatement, I will name the man, and he is in this room. If the gentleman, who is in this room, will permit me to do so, I will name him. It is in the record. He said it permitted them to build textile factories, not just plain factories, but textile factories.

Mr. BLOOM. Did he say it permitted them to repair them?

Mr. FISH. No, to build, repair, and everything else.

Mr. BLOOM. No.

Mr. FISH. How can you repair them when they do not exist?

All right, rehabilitate them. Rehabilitate the textile mills. I will not quibble about the words. That is what I am opposed to in this bill. I realize the constitutional issue is a grave and a serious one, but I am not opposed to relieving the suffering of the starving people of Europe and of the liberated countries with the necessities of life, but not one bit beyond that. I am not willing to spend a single penny of American money for glorified W. P. A.'s, and certainly it becomes a world-wide, glorified W. P. A., despite the denial made here by the gentleman from New Jersey. The minute you go into rehabilitation it can be nothing else. When we had our W. P. A. here in America we did not go out and build or rehabilitate factories. It was a question of unemployment. They even take that up in this bill.

Let me read to you the parts to which we are opposed. I am not speaking here as an individual on this matter. I know three members of the Committee on Foreign Affairs who will offer vital amendments to this bill. I know of other amendments that will be offered. Let us consider some of those amendments.

The gentlewoman from Massachusetts [Mrs. ROGERS], one of the senior members of the committee, will offer an amendment to prohibit any of this money being used for educational purposes. Certainly that prohibition ought to be in this bill.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield for a very brief question.

Mrs. ROGERS of Massachusetts. Of course, it would not be even our ideology that would be taught, it would not be our education taught to the people of these countries, but the beliefs of others.

Mr. FISH. It would be dictatorial and possibly communistic.

Mrs. ROGERS of Massachusetts. We are fighting, I think, so that people may have their own form of education and their own form of religion.

Mr. FISH. The gentleman from South Dakota [Mr. MUNDT] will offer an amendment to include starving and disease-stricken India.

If any nation ought to be included, where hundreds of thousands have starved to death within the last few months, certainly India ought to be included, and India contributes, or may contribute; and when we come to that matter of contribution, let us get the facts correct. The gentleman from New Jersey [Mr. EATON] kept talking about 50 percent of our contribution. Our contribution is 60 percent, and we are called upon right here to authorize the entire total of \$1,350,000,000, or 60 percent of two and a half billion dollars, the total sum required. We have no guarantee that these other nations will pay, but we are called upon in this bill to authorize the appropriation of the entire lump sum, whereas we have no guarantee that many and many of these nations, will pay, and many will not pay. I shall not go into that now, but that is a matter of record.

A member of the committee, the gentleman from West Virginia [Mr. SCHIFFLER], will offer that amendment to reduce the amount to \$675,000,000, or one-half the sum carried in this bill. I would prefer to have it reduced to \$500,000,000; but he is a member of the committee and will offer that amendment. I shall offer an amendment myself requiring that 90 percent of all of the moneys that we appropriate be expended for supplies in this country; that 90 percent be spent here. I wish I could agree with my distinguished friend the gentleman from New Jersey [Mr. EATON] when he talks about this great ocean of prosperity. Can he guarantee that there will be oceans of prosperity in this Nation after the war, when 10,000,000 soldiers will come back home looking for jobs? There will be millions. I do not know a single industry in America that will not cut down almost one-half of what are employed today. Unquestionably, there will be 20,000,000 unemployed, and there will be no ocean of prosperity. Yet, we are called upon here to authorize \$1,350,000,000, part of which is to go to rehabilitation in foreign lands, the building of public utilities and factories and other buildings.

Gentlemen, that is the issue before you, not so much a matter of relief. I know that some of you will not oppose matters of relief. We all remember when Mr. Hoover spent \$100,000,000 for the relief of 10,000,000 Belgian people. That contribution came from private funds, and that was successful. Twenty years ago I got through a bill in this House for \$10,000,000 to feed the starving people in central Europe. I introduced 2 years ago and again last May a bill to feed them now, and I believe in it with all my heart. I believe in feeding the starving children of France and Belgium and Norway and all of the other occupied countries.

I do believe we owe a moral duty to supply funds, but also we owe a moral duty to serve notice on the British Empire to let food ships go through the blockade into France and Belgium and Norway and Holland. And so I am willing now to afford relief. What I want is to see this bill amended by the Congress in the regular way and after full and due consideration. There will be, and I am glad to say that I am a party to providing for it, 2 days of general debate on this bill. It is one of the most important policy bills that has come before the Congress, one of the most important peace bills. It should be considered on a nonpartisan basis, on an American basis, from the point of view of what is best for America. That is the only yardstick that should be considered here when we vote on each and every separate amendment.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. ALLEN of Illinois. Back in 1933, when we had been here but a few days, there was brought into the House an economy measure, and at that time we had a national debt of less than \$25,000,000,000. That measure applied to disabled veterans, and at that particular

time it was advocated by Members who now, with a debt of \$200,000,000,000, would grant the sum of \$1,350,000,000. At that time they wanted to reduce the veterans' income, with a debt of \$20,000,000,000 and claimed that if we did not that insolvency threatened the country and that the credit of the country would be reduced to a chaotic condition. Yet these gentlemen now seem to be the most willing to vote to spend this money, when we have a debt of \$200,000,000,000. Yet, as I say in 1933 they were the most anxious to cut down the veterans' income, with a national debt of \$20,000,000 and take it away from the soldiers.

Mr. FISH. Mr. Speaker, the gentleman will have to ask that question of those who voted against the disabled soldiers at that time. Of course, the question of taxes is a vital one, and we are now approaching a debt of \$200,000,000,000.

The SPEAKER pro tempore. The time of the gentleman from New York has expired. The gentleman from Illinois [Mr. SABATH] has 2 minutes remaining.

Mr. SABATH. Mr. Speaker, I yield those 2 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, it would be impossible for anyone within 2 minutes to answer the misstatements and misconceptions of what this resolution is, as stated by those who have spoken in opposition to it. This is a war measure. It is just as important for the winning of this war as the appropriations that we have made to the War and Navy Departments. It is a war measure because it does what we had to do at the close of the last war in affording relief, immediately after hostilities ceased. When an occupied country is liberated there will immediately arise the question with reference to relief of people in those countries, where the food has been stolen, where people have been taken away by the Axis Powers. Disease will follow, and this appropriation, when it is made, will help not only those people of the liberated countries, but it will help our soldiers over there, who would be subject to diseases that may be prevalent. I hope that we are learning some of the lessons from the last war. At the end of the last war we had to do the work being done now, but instead of having an agreement in advance, we made no preparation for it, and we had to do it after the war was over. As a result, it cost the United States over \$3,000,000,000. This time we are planning to cooperate with the other countries of Europe, whereby they will contribute to the funds, and whereby the funds will be wisely administered to reach the most effective means of doing what this legislation is designed to do. I submit that when this House understands all the facts back of this resolution no one, who is not prejudiced, will vote against the resolution, because it is for the welfare of the United States of America, and it is necessary for help in winning this war immediately after hostilities cease. Without it, there will be chaos.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 1543) entitled "An act to provide for mustering-out payments to members of the armed forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REYNOLDS, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. AUSTIN, and Mr. BRIDGES to be the conferees on the part of the Senate.

MUSTERING-OUT PAY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1543) an act to provide for mustering-out payments to members of the armed forces and for other purposes, with a House amendment, insist on the amendment of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I would like to know from the gentleman from Kentucky if the ranking Republican member has been advised of the fact that the bill was going to be referred to the conferees.

Mr. MAY. It is the invariable rule of the chairman of the Committee on Military Affairs of the House to leave it to the ranking Republican member to name the conferees in all matters.

Mr. MARTIN of Massachusetts. I did not mean that.

Mr. MAY. In this case he did name them a while ago and I wrote them down as he requested.

Mr. MARTIN of Massachusetts. I did not mean that, but he knew this was going to be referred to the conferees?

Mr. MAY. Yes; I talked to him just a moment ago.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. MAY, Mr. THOMASON, Mr. MERRITT, Mr. COSTELLO, Mr. SHORT, Mr. AREND, and Mr. ELSTON of Ohio.

There was no objection.

UNITED NATIONS RELIEF AND REHABILITATION ORGANIZATION

Mr. BLOOM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of a House joint resolution (H. J. Res. 192) to enable the United States to participate in the work of the United Na-

MUSTERING-OUT PAYMENT ACT OF 1944

JANUARY 25, 1944.—Ordered to be printed

Mr. MAY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 1543]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That (a) except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

(b) *No mustering-out payment shall be made to—*

(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the Act of June 16, 1936;

(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army Specialized Training Program, (B) the Army Air Forces College Training Program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

(8) any commissioned officer unless he is discharged or relieved from active service within three years after the termination of the present war as proclaimed by the President.

SEC. 2. (a) Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for 60 days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for 60 days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than 60 days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service.

SEC. 3. Any member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this Act shall, if application therefor is made within two years after the date of enactment of this Act, be paid such mustering-out payment by the War Department or the Navy Department, as the case may be, beginning within one month after application has been received and approved by such department: Provided, That no member of the armed forces shall receive mustering-out payment under this Act more than one, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

SEC. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: Provided, That no payments under this Act shall be made to any other person.

SEC. 5. (a) Mustering-out payments due or to become due under this Act shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this Act as may be necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

SEC. 6. As used in this Act—

(a) The term "member of the armed forces" means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components, and any member of the Women's Army Auxiliary Corps who was discharged under honorable conditions on account of disability.

(b) The term "spouse" means a lawful wife or husband.

(c) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

(d) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

SEC. 7. Appropriations for the Army and Navy, and the several components thereof, respectively, shall be available for the payments provided by this Act and necessary administrative expenses. There are hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this Act. Amounts expended hereunder shall be included in the annual reports to the Congress by the departments concerned.

SEC. 8. This Act may be cited as the "Mustering-Out Payment Act of 1944".

And the House agree to the same.

ANDREW J. MAY,
R. EWING THOMASON,
MATTHEW J. MERRITT,
JOHN M. COSTELLO,
DEWEY SHORT,
LESLIE C. ARENDTS,
CHAS. H. ELSTON,
Managers on the part of the House.

ROBT. R. REYNOLDS,
ELBERT D. THOMAS,
EDWIN C. JOHNSON,
WARREN R. AUSTIN,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, the conference substitute is the same as the House amendment.

Section 1 (a) of the House amendment provides that members of the armed forces (with certain exceptions set forth in subsection (b)) who shall have been engaged in active service in the present war and are discharged or relieved from active service "under conditions other than dishonorable" on or after December 7, 1941, shall be eligible to receive mustering-out payment. The conference substitute strikes out the words "under conditions other than dishonorable" and substitutes in lieu thereof the words "under honorable conditions". This change conforms to section 1 of the Senate bill and follows the usual policy of the Congress with respect to the granting of benefits to former members of the armed forces.

Section 1 (b) (3) of the House amendment provides that no mustering-out payment shall be made to any member of the armed forces (unless he has served outside the continental limits of the United States or in Alaska) for any active service "performed prior to the date of his discharge or relief from active service to accept employment". This language precludes receipt of mustering-out payment by any such member of the armed forces whether or not he was discharged or relieved from active service on his own initiative. A comparable provision in section 1 of the Senate bill denied mustering-out payment only to those members of the armed forces who were discharged or relieved from active service "solely on their own initiative for occupational reasons". The conference substitute, while retaining the language of the House amendment, adds the words "on his own initiative".

Section 2 (a) of the House amendment provides mustering-out payment in the amount of \$300 for members of the armed forces who have performed active service for 60 days or more and in the amount of \$100 for members of the armed forces who have performed active service for less than 60 days.

The conference substitute provides for mustering-out payment as follows:

(1) \$300 for members of the armed forces who have performed active service for 60 days or more, if any part of such service was performed outside the continental limits of the United States or in Alaska;

(2) \$200 for members of the armed forces who have performed active service for 60 days or more, if no part of such service was performed outside the continental limits of the United States or in Alaska;

(3) \$100 for members of the armed forces who have performed active service for less than 60 days.

This change conforms to the principle of the Senate bill of basing the amount of mustering-out payment not only on the length of service but also on whether the service was performed outside the continental limits of the United States or in Alaska or whether it was performed within the continental limits of the United States (excluding Alaska).

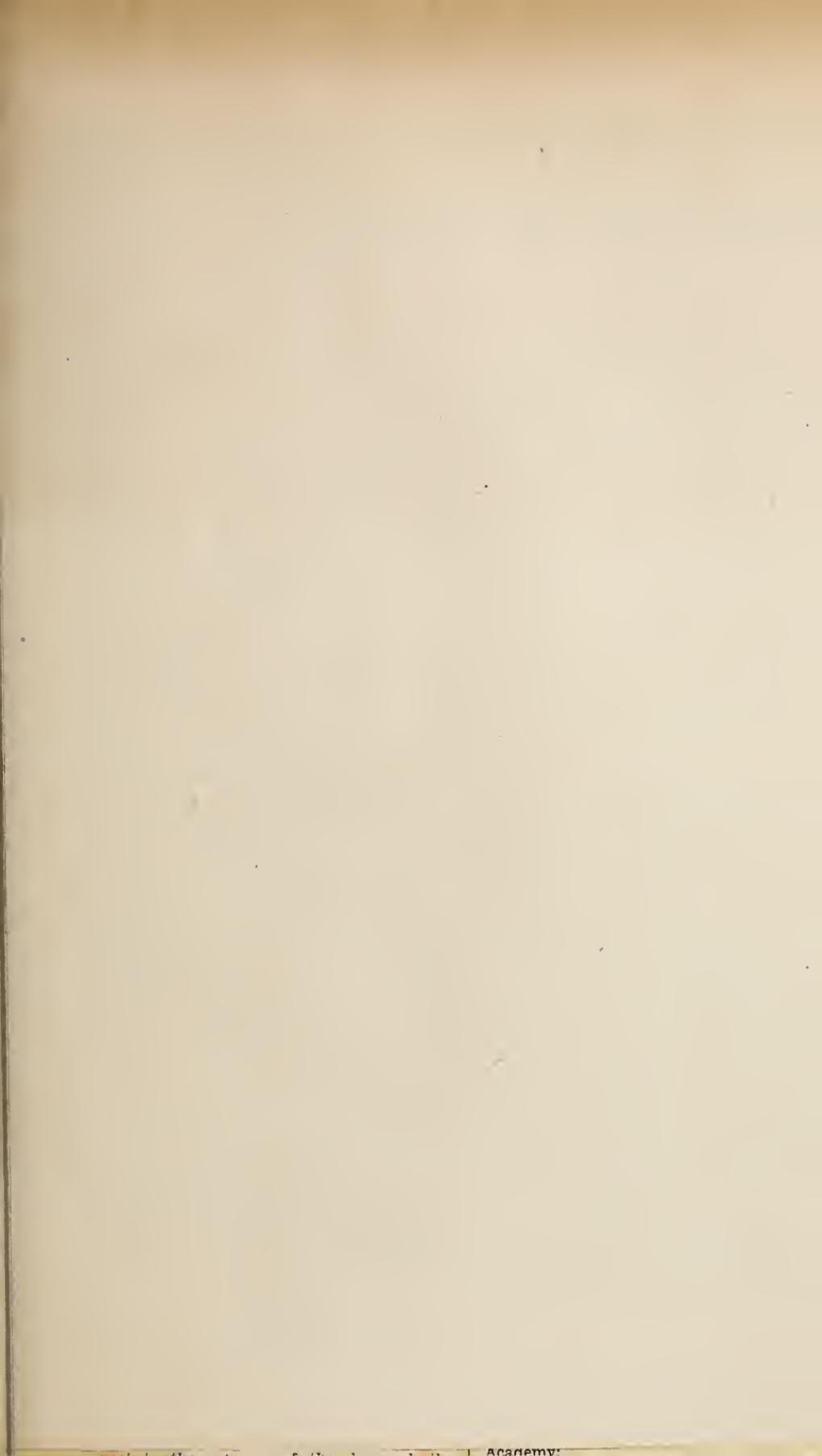
Section 2 (b) of the House amendment provides (1) that any person entitled to mustering-out payment in the sum of \$300 shall be paid such sum in three equal monthly installments, the first payment being made at the time of final discharge or ultimate relief from active service; and (2) that any person entitled to receive mustering-out payment in the sum of \$100 shall be paid such sum at the time of final discharge or ultimate relief from active service. The conference substitute retains these provisions and in addition provides that the person entitled to mustering-out payment in the sum of \$200 shall be paid such sum in two equal installments, one payment at the time of final discharge or ultimate relief from active service and one payment 1 month from the date of the original payment.

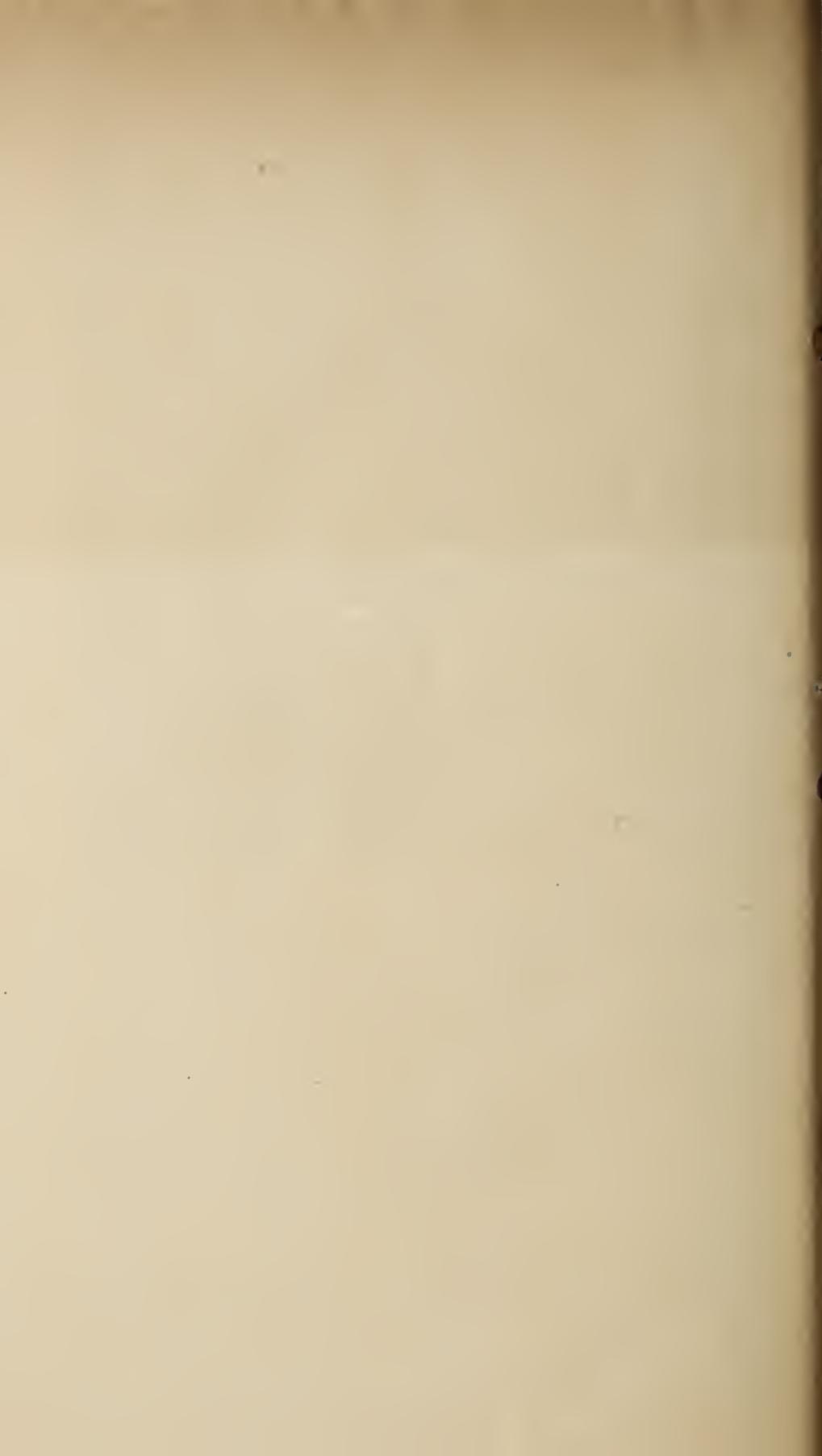
Section 3 of the House amendment provides that a member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of the act must apply for such payment within 1 year after such date. Section 3 of the Senate bill contains no such limitation. The conference substitute allows 2 years within which such application may be made.

Certain minor clarifying changes are made by the conference substitute in the definition of the term "member of the armed forces" contained in section 6 (a) of the House amendment, but there is no change in substance.

A. J. MAY,
R. EWING THOMASON,
MATTHEW J. MERRITT,
JOHN M. COSTELLO,
DEWEY SHORT,
LESLIE C. ARENDTS,
CHAS. H. ELSTON,
Managers on the part of the House.







House of Representatives

TUESDAY, JANUARY 25, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

With the assurance of Thy Fatherly love, blessed Lord, we come to Thee in prayer. Faith in Thee gives us strength to rise above conflicting confusions into the presence of Thy guiding light. Thou dost prepare a way for the wise purpose and for the resolute endeavor and use, of helpful service for our fellowmen. Hold and shield us from the gnawing thoughts of no vision, no task accomplished, and opportunities lost; grant that our understanding may not be eclipsed by hesitation nor fear.

Heavenly Father, help us to seek those large wonders which stir men's minds and arouse them to expectancy so that our feet shall be swift to run and our hands eager to work in the service of mutual helpfulness. As we pause our memory is on the throne of our being and we rejoice in the gentleness of our mothers, the strength of our fathers, and in the fidelity of our sons and daughters. We trust that we are truly grateful for home, its sweet influence, for its gracious restraints, and for its compulsions which are as the arms of the Lord. Holy Spirit, fill our minds with pure thoughts and our hearts with beautiful intentions and let our conceptions of duty be so strong and deep that they shall be as the voice of God. In the name of our Saviour who spake as never man spake. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had adopted the following resolution (S. Res. 245):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. FREDERICK VAN NUYS, late a Senator from the State of Indiana;

Resolved, That a committee of 10 Senators be appointed by the President of the Senate to take order for superintending the funeral of the deceased Senator;

Resolved, That the secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased;

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now take a recess until 12 o'clock noon tomorrow.

MUSTERING-OUT PAY—CONFERENCE REPORT

Mr. MAY submitted the following conference report and statement on the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, for printing, under the rule:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That (a) except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

"(b) No mustering-out payment shall be made to—

"(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

"(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

"(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

"(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the Act of June 16, 1936;

"(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army Specialized Training Program, (B) the Army Air Forces College Training Program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

"(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

"(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

"(8) any commissioned officer unless he is discharged or relieved from active service within 3 years after the termination of the present war as proclaimed by the President.

"SEC. 2. (a) Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

"(1) \$300 for persons who, having performed active service for 60 days or more, have served outside the continental limits of the United States or in Alaska.

"(2) \$200 for persons who, having performed active service for 60 days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

"(3) \$100 for persons who have performed active service for less than 60 days.

"(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service.

"Sec. 3. Any member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this Act shall, if application therefor is made within two years after the date of enactment of this Act, be paid such mustering-out payment by the War Department or the Navy Department, as the case may be, beginning within one month after application has been received and approved by such department: *Provided*, That no member of the armed forces shall receive mustering-out payment under this Act more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

"Sec. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

"Sec. 5. (a) Mustering-out payments due or to become due under this Act shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

"(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this Act as may be

necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

"SEC. 6. As used in this Act—

"(a) The term 'member of the armed forces' means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components, and any member of the Women's Army Auxiliary Corps who was discharged under honorable conditions on account of disability.

"(b) The term 'spouse' means a lawful wife or husband.

"(c) The term 'child' includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

"(d) The term 'parent' includes father and mother, stepfather and stepmother, and father and mother through adoption.

"SEC. 7. Appropriations for the Army and Navy, and the several components thereof, respectively, shall be available for the payments provided by this Act and necessary administrative expenses. There are hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this Act. Amounts expended hereunder shall be included in the annual reports to the Congress by the departments concerned.

"SEC. 8. This Act may be cited as the 'Mustering-Out Payment Act of 1944'."

And the House agree to the same.

ANDREW J. MAY,
R. EWING THOMASON,
MATTHEW J. MERRITT,
JOHN M. COSTELLO,
DEWEY SHORT,
LESLIE C. ARENDS,
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Managers on the part of the House.

ROBERT R. REYNOLDS,
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STYLES BRIDGES,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, the conference substitute is the same at the House amendment.

Section 1 (a) of the House amendment provides that members of the armed forces (with certain exceptions set forth in subsection (b)) who shall have been engaged in active service in the present war and are discharged or relieved from active service "under conditions other than dishonorable" on or after December 7, 1941, shall be eligible to receive mustering-out payment. The conference substitute strikes out the words "under conditions other than dishonorable" and substitutes in lieu thereof the words "under honorable conditions". This change conforms to section 1 of the Senate bill and

follows the usual policy of the Congress with respect to the granting of benefits to former members of the armed forces.

Section 1 (b) (3) of the House amendment provides that no mustering-out payment shall be made to any member of the armed forces (unless he has served outside the continental limits of the United States or in Alaska) for any active service "performed prior to the date of his discharge or relief from active service to accept employment". This language precludes receipt of mustering-out payment by any such member of the armed forces whether or not he was discharged or relieved from active service on his own initiative. A comparable provision in section 1 of the Senate bill denied mustering-out payment only to those members of the armed forces who were discharged or relieved from active service "solely on their own initiative for occupational reasons". The conference substitute, while retaining the language of the House amendment, adds the words "on his own initiative".

Section 2 (a) of the House amendment provides mustering-out payment in the amount of \$300 for members of the armed forces who have performed active service for 60 days or more and in the amount of \$100 for members of the armed forces who have performed active service for less than 60 days.

The conference substitute provides for mustering-out payment as follows:

(1) \$300 for members of the armed forces who have performed active service for 60 days or more, if any part of such service was performed outside the continental limits of the United States or in Alaska;

(2) \$200 for members of the armed forces who have performed active service for 60 days or more, if no part of such service was performed outside the continental limits of the United States or in Alaska;

(3) \$100 for members of the armed forces who have performed active service for less than 60 days.

This change conforms to the principle of the Senate bill of basing the amount of mustering-out payment not only on the length of service but also on whether the service was performed outside the continental limits of the United States or in Alaska or whether it was performed within the continental limits of the United States (excluding Alaska).

Section 2 (b) of the House amendment provides (1) that any person entitled to mustering-out payment in the sum of \$300 shall be paid such sum in three equal monthly installments, the first payment being made at the time of final discharge or ultimate relief from active service; and (2) that any person entitled to receive mustering-out payment in the sum of \$100 shall be paid such sum at the time of final discharge or ultimate relief from active service. The conference substitute retains these provisions and in addition provides that the person entitled to mustering-out payment in the sum of \$200 shall be paid such sum in two equal installments, one payment at the time of final discharge or ultimate relief from active service and one payment 1 month from the date of the original payment.

Section 3 of the House amendment provides that a member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of the act must apply for such payment within 1 year after such date. Section 3 of the Senate bill contains no such limitation. The conference substitute allows 2 years within which such application may be made.

Certain minor clarifying changes are made by the conference substitute in the definition of the term "member of the armed forces" contained in section 6 (a) of the

House amendment, but there is no change in substance.

A. J. MAY,
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JOHN M. COSTELLO,
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LESLIE C. ARENDS,
CHARLES H. ELSTON,
Managers on the part of the House.

MRS. LOUISE CALLOWAY

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts I present a privileged resolution (H. Res. 411), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Louise Calloway, widow of Roger M. Calloway, late an employee of the House, an amount equal to 6 months' salary compensation at the rate he was receiving at the time of his death, and an additional amount not to exceed \$250 toward defraying funeral expenses of the said Roger M. Calloway.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ADDITIONAL FUNDS FOR DIES COMMITTEE

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, many Members of the House have asked me when the resolution providing for an additional appropriation for the Dies committee would be called up. The Committee on Accounts this morning directed that a resolution be reported to the House providing for \$75,000 additional funds. If the Speaker grants recognition tomorrow morning the resolution will be presented.

EXTENSION OF REMARKS

Mr. WICKERSHAM and Mr. ALLEN of Louisiana asked and were given permission to extend their own remarks in the RECORD.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD on three separate subjects: In the first to include resolutions adopted by American Legion Post, No. 15, of Lawrence, Mass.; second, to include an article by Phillip Burke; and, third, to include a radio address made by the gentleman from Massachusetts [Mr. McCORMACK], the majority leader of the House, over Station WNAC on January 5, 1944.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein two short editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]



tion and give it carte blanche to amend such provisions.

Mr. BARKLEY. In those States the same thing happens which frequently happens in States where the court declares an act of the legislature unconstitutional. Legislatures are not always prompt to enact legislation designed to cure constitutional defects.

Mr. OVERTON. That is very much to be regretted, but it is better that Kentucky and New Mexico should suffer than that the Constitution of the United States should bleed.

Mr. BARKLEY. I do not agree with the Senator's theory that the Constitution would suffer under the proposed legislation. I believe it to be constitutional. If I did not, I would not support it.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. PEPPER. I was about to ask the Senator if there has not been an election since the enactment of Public Law 712.

Mr. OVERTON. Yes.

Mr. PEPPER. Has the Senator found that the operation of that law, dispensing with the requirement of registration and the payment of the poll tax, has operated to impair white supremacy in the South?

Mr. OVERTON. To what election does the Senator refer? We had a primary election in Louisiana. My son is in the Navy. He voted on January 18. He wrote and received a State ballot, marked it, and sent it back.

Mr. PEPPER. The able Senator from Mississippi intimated that Public Law 712, so far as it dispensed with the requirement for registration and payment of the poll tax, was destroying or impairing white supremacy in the South. I inquire whether or not that has been the experience under the law so far.

Mr. OVERTON. It will not be destroyed in one fell swoop. The poison is slow in its operation, but none the less deadly. The Senator's forbears had to go through that fight. There was a time when it was necessary for a Democrat in the South to sleep with a shotgun at the head of his bed. The Senator does not recall it, but his forbears went through that experience. We do not want to go back to those days. We do not want to establish any congressional precedent which would enable the Federal Government to seize control of our elections.

Mr. President, I wish to address myself particularly to the amendment which I have offered.

On page 39 of the bill, in section 14 (a), it is provided as follows:

The Commission shall have no powers or functions with respect to the determination of the validity of ballots cast under the provisions of this title.

Of course, that is correct. Everyone will subscribe to that declaration.

Then the bill proceeds as follows:

Such determination shall be made by the duly constituted election officials of the appropriate districts, precincts, counties, or other voting units of the several States.

That refers to the determination of the validity of the ballots. It shall be

made by the duly constituted election officials in the various States. When I read that provision I thought it was a very close approach to writing into the law the very thing which I am now advocating; that is, recognition of the authority of the States over elections and qualifications of voters. I was reinforced in that view by the statement made by the Senator from Illinois [Mr. Lucas] when on last Monday the bill was taken up and he was explaining it to his colleagues. I asked the Senator from Illinois to yield, and I said to him:

The provision in reference to the validity of ballots is not so very clear, as to whether the validity of the ballot is to be determined by State law or not. The provision is that:

"Votes cast under the provisions of this title shall be canvassed, counted, and certified in each State by its proper canvassing boards in the same manner, as nearly as may be practicable as the votes cast within its borders are canvassed, counted, and certified."

That relates to the canvassing, counting, and certification of votes, but it does not deal with the qualification of the voter. It contemplates the vote cast, the vote in the ballot box, whether the voter be qualified under State laws or not, and then it proceeds to state that after the votes are cast they shall be canvassed, counted, and certified according to the State law. What I wish to ask the Senator is whether it is the intention to provide that the qualifications of voters shall be determined by the laws of the State in which the vote is cast.

To which the Senator from Illinois replied:

Mr. LUCAS. Let me say to my able friend from Louisiana that the first part of section 14 provides:

"The commission shall have no powers or functions with respect to the determination of the validity of ballots cast under the provisions of this title; such determination shall be made by the duly constituted election officials of the appropriate districts, precincts, counties, or other voting units of the several States."

It seems to me that is very clear. That is the first part of section 14.

Mr. OVERTON. Determined according to what? It ought to read "such determination shall be made in accordance with State law."

What I had in mind, Mr. President, and what I now have in mind, is that we lodge the authority in local election officials to determine the validity of the ballot; but when we undertake to lodge that authority in them, we ought at least to give them some rule to go by. We ought to give them some law to go by. It was my suggestion, and it was in line with my interpretation of the Federal Constitution, that that determination should be made in accordance with State law. Therefore I suggested to the Senator from Illinois that the provision ought to read "such determination shall be made in accordance with State law."

The Senator from Illinois said:

Mr. LUCAS. I presume that the duly constituted election officials in the Senator's parish, or in my particular precinct, are acting under State laws.

What did the Senator from Illinois mean? Certainly the inference there is that when this authority is given under section 14 (a) to the local election officials to determine the validity of the ballot, they would be guided by State law. That was the interpretation which the Senator

from Illinois placed upon it. I quote again:

Mr. LUCAS. I presume that the duly constituted election officials in the Senator's parish, or in my particular precinct, are acting under State laws.

That was in answer to my question, in effect, as to what law would control. I said that the provision ought to read "such determination shall be made in accordance with State law."

That was the answer which the Senator from Illinois gave me.

I read further from the CONGRESSIONAL RECORD for Monday, January 24, 1944:

Mr. OVERTON. Why presume that they will follow the State law? We have here a proposed Federal statute, which contemplates that the soldiers shall be permitted to vote. The ballot is all arranged for them. All they have to do is to mark it and send it in.

Mr. LUCAS. I have no objection to what the Senator is trying to do. I think this section absolutely covers it.

I offered my amendment. Apparently the Senator from Illinois agreed with me. Apparently he thought it was unnecessary, because the bill as it now reads vested the authority in the local election officials to pass on the validity of the ballots in accordance with State law. I wished to remove any possible obscurity from the statute, and therefore I offered that amendment on page 39, line 9, after the word "made" to insert "in accordance with State law" so as to read:

Such determination shall be made in accordance with State law by the duly constituted election officials of the appropriate districts, precincts, counties, or other voting units of the several States.

It is in line with the reasoning of the Senator from Illinois, and it is in line with the Constitution.

Mr. President, I wish to say this in conclusion: If the Constitution is not followed in this bill so that the constitutional authority vested in the States shall determine the qualifications of electors, I cannot support the bill. I am frank to say that if this amendment shall not be adopted I will support the substitute amendment of the Senator from Ohio or some other substitute.

I have a very earnest desire to insure that our soldiers shall be permitted to vote. I believe that many of them could vote now without any further legislation by the States. As I have said, my son voted in the last primary election. I am satisfied that a great many others from Louisiana who are in the armed forces also voted. I am willing to do everything which we constitutionally can do to have the ballots prepared, get them to the members of the armed forces, and give them an opportunity to vote and send the ballots back to the election officials.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. OVERTON. I will yield in a moment.

However, Mr. President, I am not willing to lay down a precedent which is contrary to the Constitution of the United States—according to my interpretation of it—that in the future will arise to plague those of us who live below the Mason and Dixon's line.

I now yield to the Senator from Oklahoma.

Mr. MOORE. The effect of the amendment submitted by the Senator from Louisiana would be to repeal in toto all of Public Law 712, would it not?

Mr. OVERTON. It would not repeal all of Public Law 712. It would, in my opinion, repeal sections 1 and 2 of the law.

Mr. MOORE. On page 26 of the pending bill there appears the following language:

That Public Law No. 712, Seventy-seventh Congress, be amended by inserting after the enacting clause the words "Title I" and by striking out sections 3 to 15, inclusive, and inserting in lieu thereof the following—

Namely, the Green-Lucas bill.

Mr. OVERTON. Yes; the Senator is correct.

Mr. MOORE. This amendment, containing the words "inserting in lieu thereof," that is, title I, would include in the repeal all the sections from 3 to 15, inclusive. That is what it amounts to, as I understand.

Mr. OVERTON. The pending bill would repeal everything in Public Law 712 from section 3 to section 15, both inclusive, but would leave intact sections 1 and 2, which sections relate to poll tax and registration. If my amendment shall be adopted, in my opinion it will by clear implication repeal sections 1 and 2. It will render them nugatory and with no further effect.

Mr. MOORE. I thank the Senator.

Mr. OVERTON. If there is any objection to the particular phrasing of my amendment I have another one which I have presented to the Senate and asked to have printed, which would specifically insert the numeral 1 in lieu of numeral 3 and would operate as a repeal of sections 1 to 15, both inclusive.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. McCARRAN. I invite the Senator's attention to section 14 and ask that he consider it in the light of his very able discussion.

It has been stated that it is thought that section 14 on page 39 meets the objections which the Senator would reach by his amendment. It reads as follows:

SEC. 14. (a) The commission shall have no powers or functions with respect to the determination of the validity of ballots cast under the provisions of this title; such determination shall be made by the duly constituted election officials of the appropriate districts, precincts, counties, or other voting units of the several States. Votes cast under the provisions of this title shall be canvassed, counted, and certified in each State by its proper canvassing boards in the same manner, as nearly as may be practicable, as the votes cast within its borders are canvassed, counted, and certified.

I assume that the Senator does not believe that the language of the section which I have read meets objection which his amendment would reach.

Mr. OVERTON. The Senator is correct.

MUSTERING-OUT PAY FOR MEMBERS OF THE ARMED FORCES—CONFERENCE REPORT

Mr. JOHNSON of Colorado submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That (a) except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

"(b) No mustering-out payment shall be made to—

"(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

"(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

"(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

"(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the Act of June 16, 1936;

"(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army Specialized Training Program, (B) the Army Air Forces College Training Program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

"(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

"(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

"(8) any commissioned officer unless he is discharged or relieved from active service within three years after the termination of the present war as proclaimed by the President.

SEC. 2. (a) Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

"(1) \$300 for persons who, having performed active service for 60 days or more, have served outside the continental limits of the United States or in Alaska.

"(2) \$200 for persons who, having performed active service for 60 days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

"(3) \$100 for persons who have performed active service for less than 60 days.

"(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service.

SEC. 3. Any member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this Act shall, if application therefor is made within two years after the date of enactment of this Act, be paid such mustering-out payment by the War Department or the Navy Department, as the case may be, beginning within one month after application has been received and approved by such department: *Provided*, That no member of the armed forces shall receive mustering-out payment under this Act more than one, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

SEC. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

SEC. 5. (a) Mustering-out payments due or to become due under this Act shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this Act as may be necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

SEC. 6. As used in this Act—

(a) The term 'member of the armed forces' means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components, and any member of the Women's Army Auxiliary

Corps who was discharged under honorable conditions on account of disability.

(b) The term 'spouse' means a lawful wife or husband.

(c) The term 'child' includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased's household.

(d) The term 'parent' includes father and mother, stepfather and stepmother, and father and mother through adoption.

"Sec. 7. Appropriations for the Army and Navy, and the several components thereof, respectively, shall be available for the payments provided by this Act and necessary administrative expenses. There are hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this Act. Amounts expended hereunder shall be included in the annual reports to the Congress by the departments concerned."

"Sec. 8. This Act may be cited as the 'Mustering-Out Payment Act of 1944.'"

And the House agree to the same.

ROBT. R. REYNOLDS,
ELBERT D. THOMAS,
EDWIN C. JOHNSON,
WARREN R. AUSTIN,
STYLES BRIDGES,

Managers on the part of the Senate.

ANDREW J. MAY,
R. EWING THOMASON,
MATTHEW J. MERRITT,
JOHN M. COSTELLO,
DEWEY SHORT,
LESLIE C. ARENDTS,
CHAS. H. ELSTON,

Managers on the part of the House.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent for present consideration of the conference report.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. WHITE. Mr. President, reserving the right to object, may I ask the Senator if the report has been signed by all the conferees?

Mr. JOHNSON of Colorado. It has been signed by all conferees of both the House and the Senate.

Mr. WHITE. The minority conferees and the majority conferees as well?

Mr. JOHNSON of Colorado. It has been signed by all the conferees of both minority and majority.

Mr. McCARRAN. Mr. President, reserving the right to object, I should like to ask the Senator from Colorado what conclusions were finally reached with regard to mustering-out pay?

Mr. JOHNSON of Colorado. The conclusions finally reached with regard to mustering-out pay were to make \$300 mustering-out payments to any member of the armed forces who has seen 60 days or more of foreign service; \$200 to any member of the armed forces who has served more than 60 days, with all of his service in the continental United States—service in Alaska being considered the same as foreign service—and \$100 mustering-out pay to each member of the armed forces who has served for less than 60 days. This act does not provide for payments to any member of the armed forces who at the time of his discharge was receiving base pay at a higher rate than the base pay of the third period.

Mr. McCARRAN. That is, any inductee or volunteer who had been sworn into the armed forces and immediately mustered out, would receive a mustering-out pay of \$100.

Mr. JOHNSON of Colorado. That is correct, as to members given an honorable discharge, and as to members who have not applied for an occupational discharge. A few other categories of the armed forces do not receive mustering-out pay.

Mr. McCARRAN. Regardless of what time he may have spent in the Army, if the serviceman had served overseas for any length of time he would receive \$300 on being mustered out.

Mr. JOHNSON of Colorado. Yes; if he had served more than a total of 60 days, either in continental or in foreign service. It is inconceivable that any member of the armed forces would have any foreign service until after he had served at least 60 days.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent for the present consideration of a Senate concurrent resolution to correct a typographical error in the conference report which has just been considered and agreed to.

The PRESIDING OFFICER. The resolution will be stated.

The resolution (S. Con. Res. 31) was read as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is authorized and directed, in the enrollment of the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, to strike out the word "one" where it appears in the proviso in section 3 thereof and insert in lieu thereof the word "once."

Mr. WHITE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHITE. I understood the Senator to say that the resolution was for the purpose of correcting a typographical error in the conference report, and for that purpose only.

Mr. JOHNSON of Colorado. The Senator is correct. The word "once" is misspelled. The "c" was left out and we wish to restore it.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 31) was considered and agreed to.

METHOD OF VOTING BY MEMBERS OF THE ARMED FORCES

The Senate resumed the consideration of the bill (S. 1612) to amend the act of September 16, 1942, which provided a method of voting, in time of war, by members of the land and naval forces absent from the place of their residence, and for other purposes.

Mr. STEWART. Mr. President, I desire to speak briefly on the pending legislation, the soldiers' vote bill, but be-

fore doing so, I wish to take notice of a statement in the President's message to the Congress this morning, which I think is exceedingly unfortunate. Discussing the soldiers' vote legislation the President says:

I consider such proposed legislation a fraud on the soldiers and sailors and the marines now training and fighting for us and for our sacred rights. It is a fraud upon the American people.

The President was referring, as I understand, to the bill which was passed by the Senate in December and which is now pending in some form in the House of Representatives, possibly before a committee, or possibly it has been recently reported to the House; I am not sure of the actual legislative status of the bill.

I think the statement I have quoted is most unfortunate. I am prepared now to say that I shall support the pending measure, the so-called Green-Lucas amendment or bill, but I voted for the bill which passed the Senate in December to which I understand the message refers, and I do not consider that I perpetrated a fraud on the American people or that other Members of the United States Senate perpetrated a fraud upon the people of America.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. BARKLEY. I appreciate the feeling of the Senator from Tennessee in regard to the use of the language to which he has referred in the President's message. I am satisfied that no one in the United States has greater respect personally for the Members of the Senate and the House of Representatives than has the President. What he was talking about and what he had in his mind was the effect of the bill which the Senate passed and which is now before the House of Representatives.

I am satisfied that the President did not mean to create the impression that individually Members of the Senate had deliberately or intentionally perpetrated a fraud on the American people, but that the effect of the legislation was to hold out a hope to the people and the armed forces that could not be realized and fulfilled, and therefore it was a false hope. That is the sense in which the President used that language. We all know that in writing documents, letters, or other papers we have our own way of expressing ourselves. If the Senator from Tennessee had been writing that he would have expressed it, no doubt, in different language.

Mr. STEWART. And probably made it much worse.

Mr. BARKLEY. But I am sure that I put the proper interpretation on the use of the words in the President's message. He had no Senator in mind or in view, but considered that the effect of the legislation with which he was disagreeing was to hold out a false hope to the soldiers, and, therefore, in that way it worked what we might say was deceit upon them, because it was a sort of electoral mirage because of which the soldier got the idea he could vote when perhaps,

under the bill, he would not be able to do so.

I am frank to say that I entertain the same view of the bill that was passed by the Senate. I did not believe that under it, because of its unworkability, the soldiers and sailors could vote. I voted against it for that reason; but, of course, in voting against it I did not entertain the idea in any way that any Senator here or all of us together had intentionally or deliberately worked a fraud upon the American people. I do not think the President meant his statement in that sense at all.

Mr. STEWART. I thank the Senator for the explanation, and I hope it is correct. I cannot conceive of the President of the United States having any intention or purpose to reflect, either directly or indirectly, upon the integrity of any Member of this body.

I agree with the Senator that the bill which was passed appears now to be unworkable, and that is the reason I have been seeking during this entire month some means or method that would satisfy my mind and which might make it possible for the millions of men and women in the armed forces to vote.

Mr. President, the Green-Lucas bill now before the Senate is an amendment to the soldiers' vote bill passed in September 1942 and now known as Public Law 712. It amends that law principally in two respects. First in importance, it provides that the validity of the serviceman's ballot shall be judged only by local election officials. This retains for the county and State officers of election in every State the control of that question. Second, the amendment provides a more practical and workable method of handling the ballots of the servicemen, insuring better opportunity for them to cast their vote in due time.

The first Green-Lucas bill, which was rejected by the Senate last December, was amended by the Eastland amendment which gave to each State the right and full responsibility of controlling absentee balloting by servicemen. I supported that amendment, although had it failed I would have voted for the bill as introduced, because I am anxious that we do all in our power to give the soldiers fighting in this war the opportunity to vote. The Green-Lucas amendment, now before the Senate, however, should be much more acceptable to Senators from the Southern States who have always strongly supported the idea of State control of elections.

We are now confronted, however, with the proposition that the Eastland amendment presents a plan impossible of performance. The President in his message to Congress on January 11 said concerning the soldiers' vote:

Our armed forces are valiantly fulfilling their responsibilities to our country and our people. Now the Congress faces the responsibility for taking those measures which are essential to national security in this the most decisive phase of the Nation's greatest war.

Several alleged reasons have prevented the enactment of legislation which would preserve for our soldiers and sailors and marines the fundamental prerogative of citizenship—the right to vote. No amount of legalistic argument can becloud this issue in the eyes

of these 10,000,000 American citizens. Surely the signers of the Constitution did not intend a document which, even in wartime, would be construed to take away the franchise of any of those who are fighting to preserve the Constitution itself.

Our soldiers and sailors and marines know that the overwhelming majority of them will be deprived of the opportunity to vote if the voting machinery is left exclusively to the States under existing State laws—and that there is no likelihood of these laws being changed in time to enable them to vote at the next election. The Army and Navy have reported that it will be impossible effectively to administer 48 different soldier-voting laws. It is the duty of the Congress to remove this unjustifiable discrimination against the men and women in our armed forces—and to do it as quickly as possible.

The Secretary of War and the Secretary of the Navy have stated that they would do all in their power to help carry out the will of Congress in respect to soldier voting, but they point out that the Eastland amendment, or bill, referred to as S. 1285, as it passed the Senate on December 5, 1943, cannot be complied with.

The War Department wrote a letter on January 11 last which was read before the Committee on Privileges and Elections by Colonel Cutler on January 20.

I wish to call the wording of this letter specifically to the attention of the Members of the Senate. It shows, as I see it, the absolute impossibility of compliance with the law as it now stands. This is the letter:

The War Department has already indicated, in connection with a prior version of S. 1285, that it may be possible, weather and military conditions permitting, in respect to one election, to carry in bulk by air, overseas and back, within a short time ballots which are uniformly light in weight and small in size. But the War Department does not believe that such expeditious carriage can be made a matter of daily routine over several months or weeks, as would be required to meet the provisions of the laws of the different States. Nor can any assurance be given in advance that recent average time of air carriage for mailed material can be regularly maintained in respect to many individual mailings of State balloting material over several months or weeks, or that the volume of what is now being carried by air can be increased or even maintained.

The effective operation of a voting procedure predicated on daily, uninterrupted air carriage overseas and back by the Army of masses of State absentee balloting material is dependent on three factors beyond control: weather, war, and plane space.

Unfavorable flying conditions may at any time interrupt for considerable intervals the carriage of any air mail to one or more theaters. When flying is resumed, the carriage of urgent military material and personnel must, for manifest military reasons, take precedence over mail. The Army does not operate, like the Post Office, as a regular carrier of mail. The primary requirement of waging a victorious war obviously determines whether any space in any military plane will be available to carry any mail.

The War Department is now bending every effort to fly to and from the front as much home mail as possible. It regards the receipt of such mail overseas and at home as the most important morale factor in the war. At the present time, there is not available sufficient plane space to carry all the letters to and from home.

As more men go overseas, the volume of this vital home correspondence will increase, further taxing air facilities.

Listen to this:

The bulk of a single average State absentee ballot, plus envelopes and voting instructions (averaging 3 ounces altogether) would by its size and weight displace over a thousand V-mail letters in microfilm. If this displacement were multiplied several million times, in two separate air carriages, over a period of several weeks or months, the most important of all morale factors would be dangerously prejudiced.

Although it may be possible to fly mailed material to a given theater in accordance with the average time recently obtaining (as, for example, 10 days from the Atlantic seaboard to the Mediterranean theater), the finding of the individual addressee in that theater may take many days.

It is an unrealistic appraisal of war conditions to assume that the serviceman addressee can always be found and can act within a few days.

The War Department letter continues:

A dozen or so States now require a special form of application for ballot and their voting procedures entail a minimum of four air carriages, apart from the transmission of the initial post card. Even where only two air carriages, in addition to the initial post card, are involved, there can be no assurance that the War Department will be able in wartime to air-carry all individual State ballots overseas, locate the servicemen addressees, and air-carry the executed ballots back to the postal authorities in the United States, within a few weeks.

The War Department believes that it is its duty to call these practical difficulties to the attention of the Congress. It would endeavor, to the best of its ability, to administer whatever laws the States might enact pursuant to congressional recommendation. But the exigencies of war circumscribe cooperation. With such a single law to administer, involving a single air carriage of lightweight ballots in bulk overseas and a single air carriage of such ballots in bulk back to America, the accomplishment of servicemen voting outside of the United States remains only a possibility. Anything more onerous than such a procedure would be, to the extent of its burden in space, time, and diversity a more remote possibility.

It was further stated that in one of the principal theaters of war the Army is now able to carry only a little over half the air mail material which it receives from the United States to be carried there.

Thus, to repeat, it is a physical impossibility for the soldiers on foreign soil to be allowed the privilege of voting if the ballots are to be sent to them from the various States. We are therefore confronted by a practical choice of passing a law which will permit serviceman-voting, or simply letting the matter drop where it is.

I am as much concerned over the rights of the States of this Union as is anyone. I want to preserve them just as earnestly as anyone; especially do I think that the elective franchise should be controlled by the States. But we are now at war with several foreign powers. We were attacked suddenly and without warning by the cowardly Japanese on December 7, 1941, and are now engaged in a struggle of defense which has become world-wide. American men and

dioed or wired to the various military, naval, and merchant-marine units throughout the world—on the high seas, on every front, and at every training station. The lists of candidates would then be made available to the voters, and the ballots would be distributed for marking in secrecy. But even if the candidates' names had not been made available in an area in time to allow the ballots to be sent back to the United States, the voters could cast their votes by designating merely the name of the party of the candidates they desired to vote for. The voting date would be fixed in each area in sufficient time to get the ballots back home before election day, even if the actual names of the candidates had not been received in that particular area. The ballots would be collected and transmitted back to the United States by the quickest method of delivery, for forwarding to the appropriate State election officials.

Each State, under these bills, would determine for itself whether or not the voter is qualified to vote under the laws of his State. Each State would count the ballots in the same way in which it counts the other ballots that are cast in the State. The sole exceptions would be those conditions of registration and payment of poll tax which could not be satisfied because of the absence of a voter from his State of residence by reason of the war. Those conditions were abrogated by the Congress when it passed the existing Federal absentee-ballotting law (Public Law 712).

There is nothing in such a proposed statute which violates the rights of the States. The Federal Government merely provides quick machinery for getting the ballots to the troops and back again. Certainly it does not violate States' rights any more than Public Law 712, which was passed by a substantial majority of the Congress in September 1942, and which specifically provided that no member of the armed forces had to register or pay a poll tax in order to vote in a Federal election. It is no more violative of States' rights than the Soldiers' and Sailors' Civil Relief Act, which the Congress passed in October 1940—more than a year before the war began.

It is true that these bills do not provide a simplified method of voting for State and local officials. The Congress has not the same authority to provide a simplified voting procedure for the thousands of State and local candidates that it has for Federal candidates. Nor would it be practicable to do so. The inclusion of all the State and local candidates would increase the size and weight of the ballot so as to make air delivery a physical impossibility. Furthermore, the transmission and distribution of names of the many thousands of State and local candidates throughout the United States to each voter in every military and naval unit and merchant ship raise insuperable difficulties.

Since these bills provide that if any voter wishes, he may use the procedure of his own State for absentee balloting, he is given, to the extent that there is any possibility of doing so, an opportunity to vote for State and local candi-

dates. In fact, since they provide for a postcard system to implement the State laws, each voter is given at least as great an opportunity to vote for State and local candidates as he would have under any legislation.

The inclusion of other groups of voters who are engaged abroad in war work of various kinds would be desirable. But as to members of our armed forces and merchant marine, I deem the legislation imperative.

Our millions of fighting men do not have any lobby or pressure group on Capitol Hill to see that justice is done for them. They are not ordinarily permitted to write their Congressman on pending legislation; nor do they put ads in the papers or stimulate editorial writers or columnists to make special appeals for them. It certainly would appear unnecessary that our soldiers and sailors and merchant marine have to make a special effort to retain their right to vote.

As their Commander in Chief, I am sure that I can express their wishes in this matter and their resentment against the discrimination which is being practised against them.

The American people cannot believe that the Congress will permit those who are fighting for political freedom to be deprived of a voice in choosing the personnel of their own Federal Government.

I have been informed that it would be possible, under the rules of the Congress, for a soldiers' vote bill to be rejected or passed without any roll call, thus making it impossible for the voters of the country—military or civilian—to be able to determine just how their own Representative or Senator had voted on such a bill.

I have hesitated to say anything to the Congress on this matter for the simple reason that the making of these rules is solely within the discretion of the two Houses of the legislative branch of the Government. I realize that the Executive as such has nothing to do with the making or the enforcement of these rules. Nevertheless, there are times, I think, when the President can speak as an interested citizen.

I think that there would be widespread resentment on the part of the people of the Nation if they were unable to find out how their individual representatives had expressed themselves on this legislation—which goes to the root of the right of citizenship.

As I have said, this is solely a legislative matter but I think most Americans will agree with me that every member of the two Houses of Congress ought to be willing in justice "to stand up and be counted."

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, January 26, 1944.

Mr. MARTIN of Massachusetts and Mr. MAY rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. The Chair will not recognize any other Member at this time

for that purpose but will recognize the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I appreciate the generosity of the Chair.

I take this minute, Mr. Speaker, because I want to make a unanimous consent request and I think it should be explained.

I agree with the President that there is immediate need for action on the soldiers' vote bill. A good many of us have been hoping we could have action for the last month. To show our sincerity in having action not next week but right now, I ask unanimous consent that the House immediately take up the bill which is on the Union Calendar known as S. 1285, the soldiers' voting bill.

The SPEAKER. The gentleman from Massachusetts was not recognized for that purpose.

The Chair recognizes the gentleman from Kentucky.

MUSTERING-OUT PAYMENT ACT OF 1944

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (S. 1543) to provide for mustering-out payments to members of the armed forces, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

(For conference report and statement, see proceedings of the House of January 25, 1944.)

Mr. MAY. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I hope that the House will vote this report down. I am not going to appeal to the emotions of the Members, but I am going to appeal to their common sense of fairness and decency—to their conscience.

Yesterday we voted \$1,350,000,000 to be used in foreign nations. I still feel that "charity begins at home." I feel that we owe something more substantial to our veterans—to the protectors of this Nation—than a measly little \$100 if they have been in service for less than 60 days and \$200 if they have been in a year or 18 months or more, and \$300 for oversea service.

These men gave up their life's work when they were inducted for the time being. We should, at least, try to give them an opportunity to exist while they are trying to adjust themselves back into their life's work. Why always so generous with something abroad and so niggardly with something at home?

If we vote this resolution down, then, unless the chairman of the committee makes the motion, I shall make the motion that we insist further upon the provisions of the House bill as passed. And I would suggest to our good-natured chairman of the Military Affairs Committee that he then use his good office to get the conferees to bring in a report

as follows: \$100 mustering-out pay for all and an additional monthly payment of \$50 to each veteran for each month that he served in the armed forces up to 8 additional months.

That will not be new legislation. That will give to the veterans the House minimum of \$100 plus \$50 a month for each month's service up to the maximum allowed in the Senate bill, \$500. Surely we ought to be willing to do that much for our veterans.

Again, if we vote this report down, may I ask the chairman to also strike paragraph No. 3 out, which excludes the veterans over 38 years of age from any mustering-out pay. This provision is brutal and cruel. I am sure the Members of this House would like to see that done, and I am sure it would meet with universal approval.

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a short telegram from the American Legion.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota [Mr. LEMKE]?

There was no objection.

The telegram referred to follows:

WASHINGTON, D. C., January 25, 1944.
Hon. FRED E. BUSBEY,
Washington, D. C.:

American Legion suggests provisions mustering-out bill as agreed upon by Senate-House conference committee yesterday are inequitable. True muster-out pay recognizes no difference between foreign and domestic service. Legion has case of World War No. 2 dischargee with 4 years' service in continental United States discharged for injuries incurred in training resulting in loss both hands and one eye. According to conference report he would be entitled to \$200 muster-out pay whereas one with few weeks' service overseas would get maximum \$300. We recommend the principle of graduated pay according to length of service embodied in the Legion's omnibus bill, S. 1617.

WARREN H. ATHERTON,
National Commander,
ROBERT W. SISSON,
Chairman,
National Rehabilitation Committee,
FRANCIS M. SULLIVAN,
Executive Director,
National Legislative Committee.

Mr. MAY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, I notice that the conference report eliminates the amendment proposed by me and accepted by the committee when the bill was before the House changing the words "under honorable conditions" to the words "under conditions other than dishonorable." I ask the chairman of the Committee on Military Affairs now whether or not he thinks that something ought to be done about that situation in view of the numerous circumstances under which blue discharges are issued to servicemen for reasons which were no fault of their own?

Mr. MAY. The gentleman from California will recall, of course, that I had no objection to his amendment when it was offered, but there was strong protest from the Department and from the Senate conferees on the question. We changed it to read "discharge from the service

under honorable conditions," the objections being that it has been the practice and custom of the War Department to grant these to men who were not discharged under honorable conditions for a long period of years.

Mr. HINSHAW. Would the gentleman's committee be willing to entertain proposed legislation which would provide for correcting the situation in which some of these blue discharges are issued?

Mr. MAY. I am quite sure the committee will give consideration to any suggestion that the gentleman cares to make. If he wants to introduce a bill, we will not be disposed to deny him a hearing on anything that has justice attached to it.

Mr. HINSHAW. May I ask the chairman of the Committee a question concerning the proposed new section 2 (a) where it allows \$300 for persons who performed active service outside the continental limits of the United States or in Alaska? Does that mean that a person who served in Alaska will not be entitled to \$300?

Mr. MAY. It means he will be entitled to it.

Mr. HINSHAW. How about a person who served in Canada?

Mr. MAY. He would not be entitled to it.

Mr. HINSHAW. What would he be entitled to?

Mr. MAY. Two hundred dollars if he served more than 60 days and \$100 for less than that.

The SPEAKER. The time of the gentleman has expired.

Mr. MAY. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, the report of the conferees on the mustering-out pay bill should not be adopted because it fails to provide a reasonable amount. It does not provide as much as the House bill, much less as much as the Senate bill.

I voted for the provisions of the Lemke amendment, which provided a fair amount of mustering-out pay, based on length of service. After this was voted down I voted for the House bill; however, I will not vote for the adoption of the conference report.

When these 11,000,000 servicemen come marching home it will be difficult for them to understand the reasons for reducing the amounts provided in the Senate and House bills. When these men return they will face one of the following situations:

First. They will return to jobs which were difficult to obtain in the first place. In many instances the jobs will not be there because of decreased business due to cessation of hostilities, or due to the fact that smaller businesses were forced out of business.

Second. They will return to farms where supplies, implements, and farm equipment will be difficult to obtain for a year or more because of the scarcity thereof.

Third. They will return to establish their own businesses, having to build up inventories, train new help, acquaint themselves with new merchandise and

new merchandising methods, establish new credit, and, above all, secure new customers or the return of those lost at the time the servicemen gave up their businesses to enter service.

Fourth. They will have to reestablish their domestic life. Many single men who decide to marry will be faced with the fact that they will not have sufficient funds to start a happy home or business.

The provisions of the conference report would barely provide sufficient funds to outfit servicemen in civilian clothes and provide a month's room and lodging while they hunt a job.

Mr. MAY. Mr. Speaker, this report is a unanimous report, signed by all the conferees on the part of the House and on the part of the Senate. However, I made an error in one answer I gave to the gentleman from California [Mr. HINSHAW] a moment ago when I said that those serving in Canada would receive \$200. If they served in Canada that would be foreign service and, therefore, they would receive \$300.

Mr. HINSHAW. On the other hand, as I read the matter contained herein, if he served in Alaska he would not receive \$300 but would receive \$200 if he served over 60 days, is that correct?

Mr. COSTELLO. It reads, "continental limits of the United States." Alaska is included in the continental limits of the United States, and that is the reason for the specific mention of Alaska as being outside the continental limits of the United States. So if he served in Alaska he does receive \$300.

Mr. HINSHAW. I understand now.

Mr. ROLPH. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from California.

Mr. ROLPH. The conference report specifies \$100 for 59 days of service and \$200 for service of 2 months or over and \$300 for service outside the United States. As the gentleman knows, I have been particularly interested in this legislation and have been advocating higher rates. As I understand it, two-thirds of the 1,000,000 men and women who have already been discharged will come under the \$200 rate. Unquestionably the gentleman and his colleagues have some estimate as to how a person can get readjusted on \$200 and I would like to get some definite information as to how that is possible.

Mr. MAY. Most of those people are already readjusted because they were let out of the service to take a job that was immediately available at higher wages, in many instances far beyond anything they had ever had before.

Mr. O'HARA. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Minnesota.

Mr. O'HARA. I want to ask the gentleman, Why make a distinction between payment to overseas veterans and veterans on this side? They all go where they are sent. In the last war when we had the \$60 discharge payment there was no distinction made as to overseas veterans and veterans within the continental limits of the United States.

MR. MAY. The gentleman will recall that I argued all the time while the bill was under debate in the House that this was simply mustering-out pay, that it should not be confused with adjusted-compensation legislation and in that proposition when it does come up, which it surely will, we ought to consider then length of service, character of service, and many other considerations that would make a distinction between men serving in the foreign service and those serving in the continental United States. Let me go a little further.

When we came to that question in the conference, the Senate was perfectly adamant on the proposition, insisting that we recognize the principle of distinction between foreign service and domestic service in this report, and we could not secure their agreement to the report otherwise. That is how the \$200 payment came into the picture.

MR. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

MR. MAY. I yield to the gentleman from New Jersey.

MR. THOMAS of New Jersey. Does not the gentleman believe that, in view of the fact that every member of the Committee on Military Affairs held out for \$300 regardless of whether or not a soldier was overseas, and that this House voted unanimously for \$300, we should now turn down this conference report?

MR. MAY. We should not turn it down. We should adopt it as it is.

MR. THOMAS of New Jersey. The conferees went one way, and they went absolutely opposite to the way the members of the Committee on Military Affairs felt and to the way the House voted.

MR. MAY. The gentleman knows there has been a regular insistence for weeks on getting this matter disposed of. I was taken to task in the public press because I happened to go home on account of the death of a member of the family. I was lied about by certain press reporters. I was maligned and criticized unjustly. As the gentleman knows, since he was a participant in the consideration of this legislation, I brought it out as quickly as I could. It is now here, and I do not want to delay it any further.

MR. THOMAS of New Jersey. I am in favor of not delaying it, but at the same time I am in favor of bringing out a report that is in line with the way the House voted and in line with the way the members of the Committee on Military Affairs felt about it.

MR. MAY. If the conferees on the part of the House could have had their way about it, they would have brought back the identical bill, word for word, letter for letter, that the House passed; but when you get in conference you have to give and take, and we were up against an adamant group of conferees who insisted very strongly on the principle of recognizing a distinction between domestic and foreign service.

MR. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

MR. MAY. I yield to the gentleman from Kentucky.

MR. ROBSION of Kentucky. The Senate bill provided \$500 for more than 18 months' service, either at home or overseas; did it not?

MR. MAY. I think that is correct. It provided that the highest payment should be \$500. I do not recall the particular period of service it covered.

MR. ROBSION of Kentucky. I have received a number of telegrams from veterans' organizations objecting to this distinction in regard to mustering-out pay as between those who served in this country and those who served overseas. What is the justification for that distinction? As we passed the bill, no such distinction was made.

MR. SPEAKER, among the telegrams that I received from veterans' organizations expressing opposition to this conference report was the following telegram from Hon. Warren H. Atherton, national commander, Robert W. Sisson, chairman, national rehabilitation committee, and Francis M. Sullivan, executive director, national legislative committee of the American Legion:

WASHINGTON, D. C., January 25, 1944.
Hon. JOHN M. ROBSION,

Washington, D. C.:

American Legion suggests provisions muster-out bill as agreed upon by Senate-House conference committee yesterday are inequitable. True muster-out pay recognizes no difference between foreign and domestic service. Legion has case of World War No. 2 dischargee with 4 years' service in continental United States discharged for injuries incurred in training resulting in loss of both hands and one eye. According to conference report he would be entitled to \$200 muster-out pay, whereas one with few weeks' service overseas would get maximum \$300. We recommend the principle of graduated pay according to length of service embodied in the Legion's omnibus bill S. 1617.

WARREN H. ATHERTON,
National Commander,
ROBERT W. SISSON,
Chairman,
National Rehabilitation Committee.
FRANCIS M. SULLIVAN,
Executive Director,
National Legislative Committee.

The mustering-out pay as it passed the Senate provided for graduated pay ranging from \$100 for less than 60 days' service, to \$500 for the longest period of service. The House Military Affairs Committee amended the Senate bill and provided for \$100 for less than 60 days' service and \$300 for service exceeding 60 days. On the floor of the House a number of amendments were offered to increase the mustering-out pay to those who had more than 60 days of service. I supported these amendments as I did not feel that we should be niggardly in providing means for our veterans to get started again in civil life, but these amendments were defeated, and the bill as passed by the House provided for a minimum of \$100 and a maximum of \$300. On a roll call the House bill received the unanimous vote of every Member present. Now this conference report fixes the minimum at \$100 and the maximum at \$300, but cuts those who had service in this country for 60 days or more down to \$200. The conference report is another cut for the muster-out pay of veterans of this war, and while it may save several hundred millions, yet it would be a hardship on these discharged veterans. I thought it should be increased instead of cut down. On yesterday, the House voted

one billion three hundred and fifty million for relief for people in foreign countries. Heretofore the Congress has actually appropriated and given contractual authority and power to the President to spend under lend-lease far more than sixty-five billion to aid people in foreign countries, and because of this reduction of mustering-out pay I feel compelled to vote against the adoption of this conference report.

MR. MAY. The justification is that the Senate would not agree to anything but that, and the conferees on the part of the House had to yield.

MR. ROBSION of Kentucky. Does the gentleman feel that this is the best compromise that could be had?

MR. MAY. This is the only one we could get.

MR. SPEAKER, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report. The question was taken; and the Chair announced that the ayes appeared to have it.

MR. ROLPH. Mr. Speaker, I demand a division.

MRS. ROGERS of Massachusetts. Mr. Speaker, I make the point of order that a quorum is not present, and object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 277, nays 103, not voting 47, as follows:

[Roll No. 13]

YEAS—277

| | | |
|----------------------|--------------|----------------|
| Abernethy | Chenoweth | Fenton |
| Allen, Ill. | Chipfield | Fernandez |
| Allen, La. | Church | Fitzpatrick |
| Anderson, Calif. | Clark | Flannagan |
| Anderson, N. Mex. | Clason | Fogarty |
| Arends | Clevenger | Folger |
| Baldwin, N. Y. | Cochran | Forand |
| Barden | Colmer | Fuller |
| Barrett | Compton | Fulmer |
| Barry | Cooley | Gale |
| Bates, Ky. | Cooper | Gallagher |
| Beckworth | Costello | Gamble |
| Bender | Courtney | Gibson |
| Bennett, Mich. | Cox | Gifford |
| Bennett, Mo. | Crawford | Gillette |
| Bishop | Crosser | Gillie |
| Blackney | Cullen | Gordon |
| Bland | Cunningham | Gore |
| Blcom | D'Alesandro | Gorski |
| Bolton | Davis | Gossett |
| Bonner | Dawson | Graham |
| Boyle | Delaney | Granger |
| Brehm | Dewey | Grant, Ala. |
| Brooks | Dickstein | Green |
| Brown, Ga. | Dies | Gregory |
| Brown, Ohio | Dilweg | Griffiths |
| Brumbaugh | Dingell | Gross |
| Bryson | Disney | Gwynne |
| Buckley | Domeneaux | Hale |
| Buffett | Dondero | Hall, |
| Bulwinkle | Doughton | Edwin Arthur |
| Burch, Va. | Douglas | Hall, |
| Burhill, N. Y. | Drewry | Leonard W. |
| Burgin | Durham | Hancock |
| Butler | Dworshak | Hare |
| Byrne | Eaton | Harless, Ariz. |
| Camp | Eberhardt | Harris, Va. |
| Cannon, Fla. | Elliot | Heffernan |
| Cannon, Mo. | Elmer | Heidinger |
| Capozzoli | Elston, Ohio | Hendricks |
| Carlson, Kans. | Engel, Mich. | Hess |
| Carrier | Fay | Hoch |
| Carson, Ohio | Feighan | Hooven |
| Case | Fellows | Horan |

| | | |
|-----------------|----------------|-----------------|
| Howell | Mason | Schwabe |
| Jarman | May | Sheppard |
| Jenkins | Merritt | Sheridan |
| Jensen | Merrow | Short |
| Johnson, | Michener | Sikes |
| Anton J. | Miller, Mo. | Simpson, Ill. |
| Johnson, | Miller, Pa. | Slaughter |
| Calvin D. | Mills | Smith, Maine |
| Johnson, | Monroney | Smith, Ohio |
| J. Leroy | Mott | Smith, Va. |
| Johnson, | Mruk | Smith, W. Va. |
| Luther A. | Murdock | Snyder |
| Johnson, | Newsome | Somers, N. Y. |
| Lyndon B. | O'Brien, Ill. | Spence |
| Johnson, Ward | O'Brien, Mich. | Springer |
| Kean | O'Brien, N. Y. | Stanley |
| Kearney | O'Neal | Starnes, Ala. |
| Kee | O'Toole | Stewart |
| Kefauver | Pace | Stockman |
| Kennedy | Patman | Sullivan |
| Keogh | Patton | Sumner, Ill. |
| Kerr | Peterson, Fla. | Summers, Tex. |
| Kilburn | Peterson, Ga. | Sundstrom |
| Kilday | Pfeifer | Taber |
| Kinzer | Philbin | Talle |
| Kirwan | Pittenger | Tarver |
| Klein | Plumley | Taylor |
| Knutson | Poage | Thomas, Tex. |
| Kunkel | Powers | Thomason |
| Landis | Pracht | Tibbott |
| Lanham | Price | Vincent, Ky. |
| Larcade | Frist | Vinson, Ga. |
| LeCompte | Rabaut | Vorys, Ohio |
| LeFevre | Ramey | Vursell |
| Lesinski | Randolph | Wadsworth |
| Lewis | Reed, Ill. | Ward |
| Lynch | Reed, N. Y. | Wasilewski |
| McCord | Richards | Weaver |
| McCormack | Rivers | Weichel, Ohio |
| McCown | Rizley | Wheelch, Ga. |
| McKenzie | Robertson | Whitten |
| McLean | Robinson, Utah | Whittington |
| McMillan | Rodgers, Pa. | Wilson |
| McMurray | Rohrbough | Winstead |
| Madden | Rowan | Wolcott |
| Mahon | Rowe | Wolfenden, Pa. |
| Maloney | Russell | Woodruff, Mich. |
| Manasco | Sabath | Woodrum, Va. |
| Mansfield, Tex. | Sasscer | Worley |
| Marcantonio | Satterfield | Zimmerman |

NAYS—103

| | | |
|----------------|-----------------|------------------|
| Andersen, | Hart | Outland |
| H. Carl | Hartley | Phillips |
| Andresen, | Hays | Poulson |
| August H. | Hill | Rankin |
| Angell | Hinshaw | Reece, Tenn. |
| Arnold | Hoffman | Rees, Kans. |
| Auchincloss | Holmes, Wash. | Robison, Ky. |
| Bates, Mass. | Hull | Rogers, Calif. |
| Beall | Jeffrey | Rogers, Mass. |
| Boren | Jennings | Rolph |
| Bradley, Mich. | Johnson, Ind. | Sauthoff |
| Bradley, Pa. | Johnson, Okla. | Scanlon |
| Burdick | Judd | Schiffier |
| Busby | Kelley | Scott |
| Canfield | LaFollette | Shafer |
| Carter | Lambertson | Simpson, Pa. |
| Coffee | Lane | Smith, Wis. |
| Cole, Mo. | Lemke | Stearns, N. H. |
| Cravens | Ludlow | Stefan |
| Curley | McGregor | Stevenson |
| Day | McWilliams | Talbot |
| Ellis | Mont. | Thomas, N. J. |
| Ellison, Md. | Martin, Mass. | Tolan |
| Ellsworth | Miller, Conn. | Towe |
| Engle, Calif. | Miller, Nebr. | Trotman |
| Fish | Monkiewicz | Voorhis, Calif. |
| Fisher | Morrison, N. C. | Walter |
| Furlong | Mundt | Weiss |
| Gathings | Murray, Wis. | Welch |
| Gavin | Myers | Wene |
| Gearhart | Norman | Wickerham |
| Gerlach | Norrell | Willey |
| Gilchrist | O'Connor | Wolverton, N. J. |
| Goodwin | O'Hara | Wright |
| Hagen | O'Konski | |
| Harris, Ark. | | |

NOT VOTING—47

| | | |
|---------------|---------------|---------------|
| Andrews | Hope | Murray, Tenn. |
| Baldwin, Md. | Izac | Norton |
| Bell | Jackson | O'Leary |
| Ceiller | Jones | Ploeser |
| Chapman | Jonkman | Ramspeck |
| Curtis | Keefe | Rockwell |
| Dirksen | King | Sadowski |
| Fulbright | Kleberg | Schuetz |
| Grant, Ind. | Lea | Scrivner |
| Halleck | Luce | Sparkman |
| Harness, Ind. | McGehee | Treadway |
| Hébert | Maas | West |
| Herter | Magnuson | White |
| Hobbs | Martin, Iowa | Wigglesworth |
| Hollifield | Morrison, La. | Winter |
| Holmes, Mass. | Murphy | |

So the conference report was agreed to. The Clerk announced the following pairs:

On this vote:

Mr. Schuetz for, with Mr. Magnuson against.

Mr. O'Leary for, with Mr. Jackson against.

General pairs:

Mr. Hobbs with Mr. Ploeser.

Mr. Ceiller with Mr. Dirksen.

Mr. Hébert with Mr. Holmes of Massachusetts.

Mr. Ramspeck with Mr. Grant of Indiana.

Mr. West with Mr. Scrivner.

Mr. Sparkman with Mr. Wigglesworth.

Mr. Bell with Mr. Keefe.

Mrs. Norton with Mrs. Luce.

Mr. Fulbright with Mr. Halleck.

Mr. Lea with Mr. Curtis.

Mr. Izac with Mr. Maas.

Mr. King with Mr. Treadway.

Mr. Chapman with Mr. Hope.

Mr. McGehee with Mr. Jones.

Mr. Morrison of Louisiana with Mr. Herter.

Mr. Baldwin of Maryland with Mr. Jonkman.

Mr. Holifield with Mr. Harness of Indiana.

Mr. Murphy with Mr. Martin of Iowa.

Mr. Kleberg with Mr. Andrews.

Mr. Murray of Tennessee with Mr. Winter.

Mr. Sadowski with Mr. Rockwell.

Mr. MURRAY of Wisconsin changed his vote from "yea" to "nay."

Mr. BELL changed his vote from "yea" to "nay."

Mr. HORAN changed his vote from "nay" to "yea."

Mr. SCOTT changed his vote from "yea" to "nay."

Mr. RANKIN changed his vote from "yea" to "nay."

Mr. REES of Kansas changed his vote from "yea" to "nay."

Mr. WOLVERTON of New Jersey changed his vote from "yea" to "nay."

Mr. LEWIS changed his vote from "nay" to "yea."

Mr. WOODRUFF of Michigan changed his vote from "nay" to "yea."

Mr. MC GREGOR changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech I made over the radio last night.

The SPEAKER. Is there objection?

There was no objection.

[The matter referred to appears in the Appendix.]

CORRECTION OF THE RECORD

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to correct the permanent record in connection with my remarks at the Ditter memorial services on page A391 of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ROBISON of Kentucky. Mr. Speaker, I ask unanimous consent to revise and extend the remarks that I

made today and to include therein a telegram from the American Legion and some other data.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. LANE was granted permission to revise and extend his own remarks in the RECORD.)

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of today's RECORD.]

COMMITTEE ON POST-WAR ECONOMIC POLICY AND PLANNING

Mr. SABATH. Mr. Speaker, I call up House Resolution 408, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is here established—

(a) A special committee to be known as the Committee on Post-War Economic Policy and Planning (hereinafter referred to as the "special committee").

(b) The special committee shall be composed of 12 Members of the House of Representatives, 7 from the majority and 5 from the minority, appointed by the Speaker of the House.

(c) It shall be the duty of the special committee to investigate all matters relating to post-war economic policy and problems; to gather information, plans, and suggestions from informed sources with respect to such problems; to study the plans and suggestions received; to report to the Congress from time to time the results of findings made and conclusions reached. It is the sense and purpose of this resolution to make accessible to the Congress, through the special committee, the most complete information respecting post-war economic policy and post-war problems that is available, to the end that Congress may be advised respecting those problems and in a position to formulate solutions with respect to them which will result in the greatest contribution by the Congress to achievement of a stable economy and a just peace. It is intended that full authority to accomplish this general purpose shall be granted by this resolution.

Sec. 2. The special committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpens or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. Subpens may be issued under the signature of the chairman of said committee, and may be served by any person designated by him.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to the gentleman from New York. I now yield to the gentleman from Mississippi [Mr. COLMER] to offer an amendment.

Mr. COLMER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLMER:

On page 1, line 5, strike out "twelve" and insert "sixteen."

On page 1, line 6, strike out "seven" and insert "nine."

On page 1, line 7, strike out "five" and insert "seven."

On page 2, line 14, after "thereof" insert "appointed by the chairman."

The amendment was agreed to.

Mr. SABATH. Mr. Speaker, this is a resolution creating a committee on post-war economic policy and planning. The

IN THE SENATE OF THE UNITED STATES

JANUARY 26 (legislative day, JANUARY 24), 1944

Mr. JOHNSON of Colorado reported the following concurrent resolution; which was considered and agreed to

CONCURRENT RESOLUTION

1 *Resolved by the Senate (the House of Representatives*
2 *concurring), That the Secretary of the Senate is authorized*
3 *and directed, in the enrollment of the bill (S. 1543) to pro-*
4 *vide for mustering-out payments to members of the armed*
5 *forces, and for other purposes, to strike out the word "one"*
6 *where it appears in the proviso in section 3 thereof and*
7 *insert in lieu thereof the word "once".*

78TH CONGRESS S. CON. RES. 31
2D SESSION

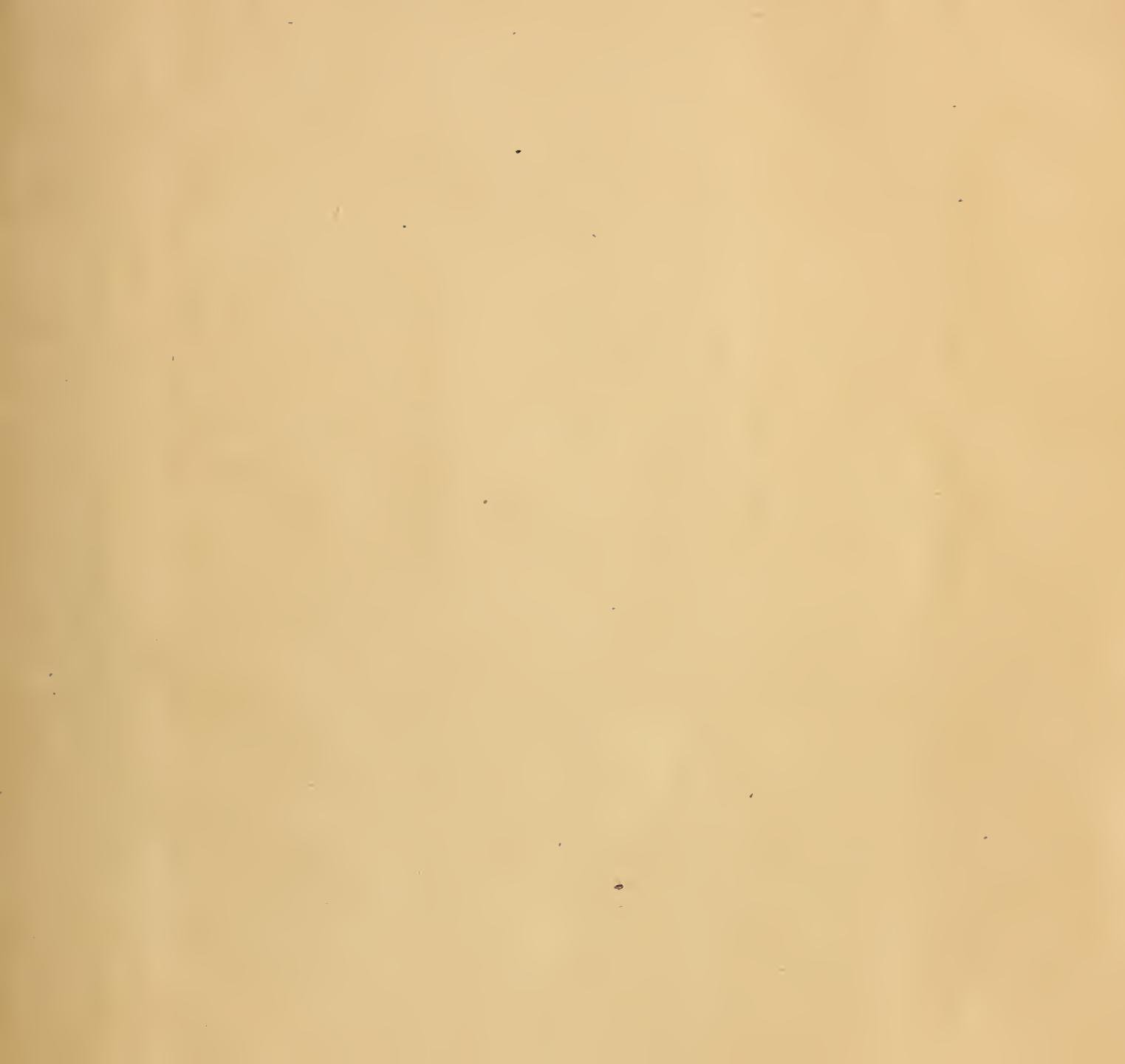
CONCURRENT RESOLUTION

Authorizing a change in the enrollment of
Senate bill 1543, the mustering-out pay bill.

By Mr. Johnson of Colorado

JANUARY 26 (legislative day, JANUARY 24), 1944

Considered and agreed to





[PUBLIC LAW 225—78TH CONGRESS]

[CHAPTER 9—2D SESSION]

[S. 1543]

AN ACT

To provide for mustering-out payments to members of the armed forces, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) except as provided in subsection (b) of this section, each member of the armed forces who shall have been engaged in active service in the present war, and who is discharged or relieved from active service under honorable conditions on or after December 7, 1941, shall be eligible to receive mustering-out payment.

(b) No mustering-out payment shall be made to—

(1) any member of the armed forces who, at the time of discharge or relief from active service, is receiving base pay at a higher rate than the base pay of the third period as prescribed in section 1 of the Pay Readjustment Act of 1942, as amended;

(2) any member of the armed forces who, at the time of discharge or relief from active service, is transferred or returned to the retired list with retirement pay or to a status in which he receives retirement pay;

(3) any member of the armed forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any Air Corps Reserve officer who is entitled to receive a lump-sum payment under section 2, as amended (55 Stat. 240), of the Act of June 16, 1936;

(5) any member of the armed forces whose total period of service has been as a student detailed for training under (A) the Army specialized training program, (B) the Army Air Forces college training program, or (C) any similar program under the jurisdiction of the Navy, Marine Corps, or Coast Guard;

(6) any member of the armed forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(7) any member of the armed forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

(8) any commissioned officer unless he is discharged or relieved from active service within three years after the termination of the present war as proclaimed by the President.

SEC. 2. (a) Mustering-out payment for persons eligible under section 1 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service.

SEC. 3. Any member of the armed forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this Act shall, if application therefor is made within two years after the date of enactment of this Act, be paid such mustering-out payment by the War Department or the Navy Department, as the case may be, beginning within one month after application has been received and approved by such department: *Provided*, That no member of the armed forces shall receive mustering-out payment under this Act more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service.

SEC. 4. If any member of the armed forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any: *Provided*, That no payments under this Act shall be made to any other person.

SEC. 5. (a) Mustering-out payments due or to become due under this Act shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the

United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretary of War and the Secretary of the Navy shall make such regulations not inconsistent with this Act as may be necessary effectively to carry out the provisions thereof, and the decisions of the Secretary of War and the Secretary of the Navy shall be final and not subject to review by any court or other Government official.

SEC. 6. As used in this Act—

(a) The term “member of the armed forces” means any member of the Army or Navy of the United States, the United States Marine Corps, the United States Coast Guard, or any of their respective components, and any member of the Women’s Army Auxiliary Corps who was discharged under honorable conditions on account of disability.

(b) The term “spouse” means a lawful wife or husband.

(c) The term “child” includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the armed forces, such stepchild was a member of the deceased’s household.

(d) The term “parent” includes father and mother, stepfather and stepmother, and father and mother through adoption.

SEC. 7. Appropriations for the Army and Navy, and the several components thereof, respectively, shall be available for the payments provided by this Act and necessary administrative expenses. There are hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this Act. Amounts expended hereunder shall be included in the annual reports to the Congress by the Departments concerned.

SEC. 8. This Act may be cited as the “Mustering-Out Payment Act of 1944”.

Approved February 3, 1944.

